

# **Summit County, Utah**

Financial Statements

With Auditors' Report Thereon

For the Year Ended December 31, 2005

Ulrich & Associates, PC  
Certified Public Accountants  
Ogden, Utah

**Summit County, Utah**  
**Table of Contents**  
**For the Year Ended December 31, 2005**

---

Independent Auditors' Report	3
Management's Discussion and Analysis	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	16
Statement of Activities	18
Fund Financial Statements:	
Balance Sheet - Governmental Funds	19
Balance Sheet Reconciliation to Statement of Net Assets	20
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	22
Statement of Changes Reconciliation to Statement of Activities	24
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual - General Fund	25
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual - Municipal Services	43
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual - Transient Room Tax	44
Statement of Net Assets - Proprietary Funds	45
Statement of Revenues, Expenditures, and Changes in Fund Net Assets - Proprietary Funds	46
Statement of Cash Flows - Proprietary Funds	47
Statement of Fiduciary Net Assets - Fiduciary Fund Types	48
Notes to Financial Statements	50
Supplementary Information	
Combining Balance Sheet - Nonmajor Governmental Funds	79
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds	85

**Summit County, Utah**  
**Table of Contents**  
**For the Year Ended December 31, 2005**

---

Schedule of Receipts and Disbursements - Treasurer's Collections Account	92
Schedule of Taxes Charged, Collected, and Distributed	94
 Other Reports:	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	97
Report on Compliance with Requirements Applicable to each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	99
Schedule of Expenditure of Federal Awards	102
Summary Schedule of Prior Audit Findings	104
Schedule of Findings and Questioned Costs	105
State Legal Compliance Report	107
State Legal Compliance Schedule of Findings	109

# **Ulrich & Associates, PC**

*Certified Public Accountants*

## **INDEPENDENT AUDITORS' REPORT**

The Honorable Board of County Commissioners  
Summit County, Utah

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Summit County, Utah, as of and for the year ended December 31, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Summit County, Utah's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, and each major fund of Summit County, Utah as of December 31, 2005, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2006, on our consideration of the Summit County, Utah's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of Utah Association of CPAs | American Institute of CPAs

**Charles E. Ulrich, CPA | Michael E. Ulrich, CPA**  
Cathie Hurst, CPA | Heather Christopherson, CPA  
website/ [www.ulrichcpa.com](http://www.ulrichcpa.com)

4991 South Harrison | Ogden, Utah 84403  
Tel/ 801.627.2100 | Fax/ 801.475.6548  
email/ [ulrich@ulrichcpa.com](mailto:ulrich@ulrichcpa.com)

The management's discussion and analysis and budgetary comparison information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Summit County, Utah's basic financial statements. The introductory section, combining and individual nonmajor fund financial statement, and the Statement of Taxes Charged, Collected, and Disbursed - Current and Prior Years are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of Summit County, Utah. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Ulrich & Associates, P.C.*

August 28, 2006

**SUMMIT COUNTY, UTAH**  
**Management's Discussion & Analysis**  
**Year Ended December 31, 2005**

## **INTRODUCTION**

The following is a discussion and analysis of Summit County's financial performance and activities for the year ended December 31, 2005. Please read it in conjunction with the financial statements that follow.

## **HIGHLIGHTS**

### **Government-wide**

- The County's total net assets, exclusive of capital assets, decreased nearly \$521 thousand or 1.1 percent over the prior year; the decrease is due to the larger amount of accounts payable and accrued liabilities in 2005 than in 2004.
- Total assets of governmental funds increased \$3.2 million or 7.1 percent as a result of having more cash and cash equivalents at the end of 2005.

### **Fund Level**

- Fund balances in the County's governmental funds decreased \$1.3 million or 2.9 percent from the prior year. The decrease in fund balance is due to increased spending in public safety, highways and public improvements, and the payoff of refunding bonds.
- Property tax revenues were 8.6 percent higher than the prior year due to an increase in development for 2005. The County's total sales taxes increased \$869 thousand reflecting an average year for tourism.

### **Long-term Debt**

- The County's long-term debt decreased \$460 thousand or 1.7 percent, the result of all bond payments being made, eliminating the refunding bonds and issuing \$6.6 million in new bonds.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is an introduction to the County's Basic Financial Statements. The Basic Financial Statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the Basic Financial Statements, this report also contains other supplementary information including combining statements for nonmajor funds.

### **Government-wide Statements -Reporting the County as a Whole**

The Statement of Net Assets and the Statement of Activities beginning on page 16 comprise the government-wide financial statements. These statements provide a broad overview with a long-term focus of the County's finances as a whole and are prepared using the full-accrual basis of accounting, similar to private-sector companies. This means all revenues and expenses are recognized regardless of

SUMMIT COUNTY, UTAH  
Management's Discussion & Analysis  
Year Ended December 31, 2005

when cash is received or spent, and all assets and liabilities, including capital assets and long-term debt, are reported at the entity level.

The government-wide statements report the County's net assets - the difference between total assets and total liabilities - and how they have changed from the prior year. Over time, increases and decreases in net assets measure whether the County's overall financial condition is getting better or worse. In evaluating the government's overall condition, however, additional non-financial factors should be considered such as the County's economic outlook, changes in its demographics, and the condition of its capital assets and infrastructure.

The government-wide statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or most of their costs through user fees and charges (*business-type activities*). The County reports the Transit District as a business-type activity. The County's governmental activities include general government, public safety, courts, streets highways and garbage, recreation, health, and library services.

The government-wide statements also include information about Mountain Regional Water District and Snyderville Basin Special Service District, both are *component units* of the County. Component units are legally separate entities, yet the County remains financially accountable for them.

#### **Fund Financial Statements -Reporting the County's Most Significant Funds**

The fund financial statements beginning on page 19 provide detailed information about individual major funds, not the County as a whole. A fund is a group of related accounts that the County uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. All of the County's funds are divided into three types, each of which uses a different accounting approach.

*Governmental Funds* - Most of the County's basic services are accounted for in governmental funds and are essentially the same functions reported as governmental activities in the government-wide statements. Governmental funds use the modified accrual basis of accounting, which measures the flow of current financial resources that can be converted to cash and the balances left at year-end that are available for future spending. This short-term view of the County's financial position helps determine whether the County has sufficient resources to cover expenditures for its basic services in the near future.

*Proprietary Funds* -Governmental accounting standards permit two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County at the present time operates the Transit District as an enterprise fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County maintains one internal service fund to account for its fleet management. Because those services predominantly benefit governmental rather than business-type activities, they are included with *governmental activities* in the government-wide statements.

*Fiduciary Funds* -Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds use full-accrual accounting but are not included in the government-wide statements because the assets in those funds are not available to finance the County's own programs.

**SUMMIT COUNTY, UTAH**  
**Management's Discussion & Analysis**  
**Year Ended December 31, 2005**

**Reconciliation Between Government-wide and Fund Statements**

The financial statements include schedules on pages 20 and 24 that reconcile the amounts reported for governmental activities on the government-wide statements with amounts reported on the governmental fund statements. Following are some of the major differences between the two statements:

- Capital assets and long-term debt are included on the government-wide statements but are not reported on the governmental fund statements.
- Capital outlays result in capital assets on the government-wide statements but are expenditures on the governmental fund statements.
- Bond proceeds result in liabilities on the government-wide statements but are other financing sources on the governmental fund statements.
- Certain tax revenues that are earned but not yet available are reported as revenue on the government-wide statements but are deferred revenue on the governmental fund statements.

**Notes to the Financial Statements**

The notes beginning on page 50 provide additional schedules and information that are essential to a complete understanding of the financial statements. The notes apply to both the government-wide financial statements and the fund financial statements.

**Required Supplementary Information**

Summit County adopts an annual budget for all of its governmental and proprietary funds. On pages 25 to 44 are budgetary comparison schedules for the County's general and major special revenue funds.

**Supplementary Information**

Supplementary Information includes combining statements for the County's non major governmental funds. This section also includes budget-to-actual comparisons for capital projects and major governmental funds with legally adopted budgets. Finally, statutorily required schedules relating to tax collections and distributions to all taxing entities within the County are provided.

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

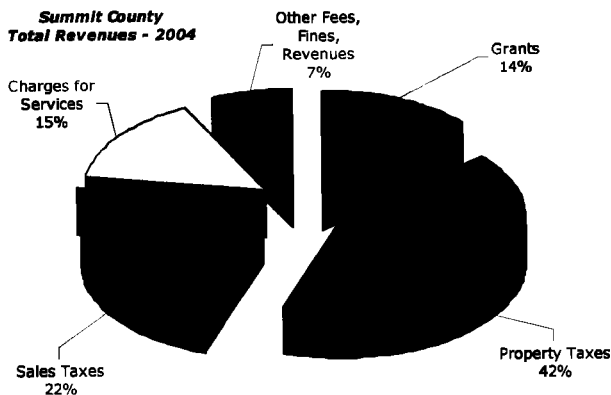
**Net Assets**

A large component of the County's net assets, 61.1 percent, reflects investments in capital assets (land, buildings, equipment, roads, and other infrastructure) less outstanding debt that was issued to buy or build those assets. As capital assets, these resources are not available for future spending, nor can they all be readily liquidated to pay off the related liabilities. Resources needed to repay capital-related debt must be provided from other sources. Restricted net assets (including capital assets) comprise 70.2 percent of total net assets and are subject to external restrictions on how they may be used. The remaining 29.8 percent of net assets is unrestricted and may be used at the County's discretion to meet its ongoing obligations to citizens and creditors.

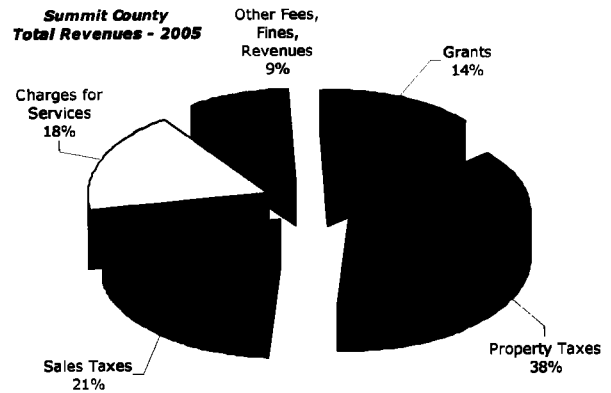


**SUMMIT COUNTY, UTAH**  
**Management's Discussion & Analysis**  
**Year Ended December 31, 2005**

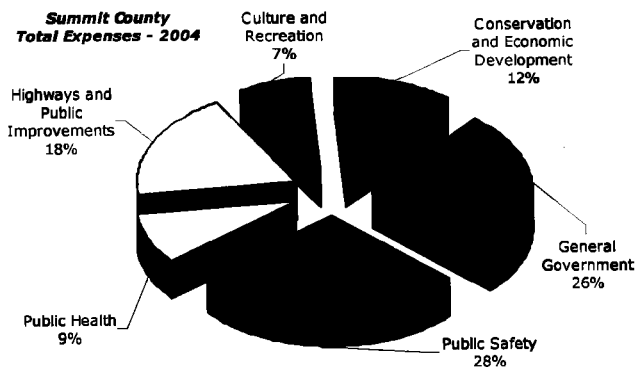
**Summit County  
Total Revenues - 2004**



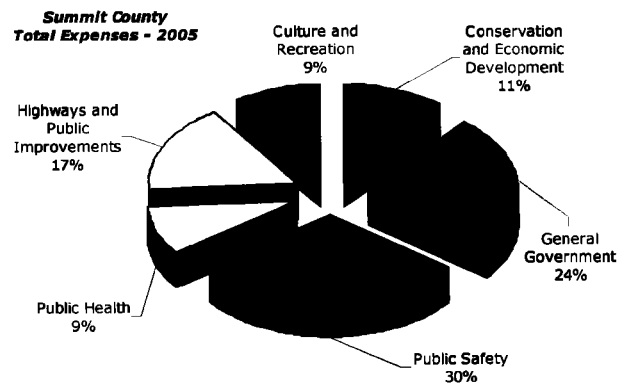
**Summit County  
Total Revenues - 2005**



**Summit County  
Total Expenses - 2004**



**Summit County  
Total Expenses - 2005**



**Summit County  
Net Assets**

	Governmental Activities	
	2004	2005
Current and Other Assets	\$ 47,349,853	\$50,670,009
Capital Assets	86,048,924	93,963,507
<b>Total Assets</b>	<b>133,398,777</b>	<b>144,633,516</b>
Current and Other Liabilities	3,681,688	7,698,520
Long-term Liabilities	24,442,234	23,698,580
<b>Total Liabilities</b>	<b>28,123,922</b>	<b>31,397,100</b>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	60,598,094	69,080,836
Restricted for:		
Debt Service	2,963,424	2,134,674
Unrestricted	41,713,337	42,020,906
<b>Total Net Assets</b>	<b>\$105,274,855</b>	<b>\$113,236,416</b>
Percent change from prior year	2.8%	7.6%

SUMMIT COUNTY, UTAH  
Management's Discussion & Analysis  
Year Ended December 31, 2005

**Changes in Net Assets**

The County's combined net assets increased by \$7.9 million or 7.6 percent from the prior year. The increase was due mainly to increased revenues and decreasing expenses.

Summit County's financial position remained fairly stable compared to the prior year. This can be demonstrated by comparing the amount of Current and Other Assets available to cover Total Liabilities. For the year 2004, for every dollar of Total Liabilities, Current and Other Assets covered those liabilities by \$1.68. This decreased slightly during 2005 to \$1.61. Summit County increased Capital Assets by 9.2 percent while *decreasing* Long-term Liabilities, funding mechanisms for acquiring or creating Current Assets, by 2.9 percent. The improvement in Current and Other Assets can be attributed to the increase in revenues (21 percent) as well as the County's policies on conservative spending.

**Governmental Activities**

Total tax revenues showed an increase of 10.7 percent during 2005. Tourism-related sales taxes increased 18.2 percent while general sales taxes increased 12.2 percent. Property taxes increased 8.6 percent. No tax rates were increased during 2005.

**Summit County Total Revenues**

	<b>Governmental Activities</b>	
	<b>2004</b>	<b>2005</b>
<b>Revenues</b>		
General Revenues:		
Property Taxes	\$ 16,444,022	\$ 17,865,936
Sales Taxes	8,862,065	10,152,586
General Government		
Charges for Services	6,028,801	8,739,275
Other Fees, Fines, Revenues	2,889,203	4,396,501
Grants	5,490,166	6,914,867
<b>Total Revenues</b>	<b>39,714,257</b>	<b>48,069,165</b>
<b>Expenses</b>		
General Government	9,440,324	8,697,184
Public Safety	9,878,597	10,424,598
Public Health	3,261,748	3,221,109
Highways and Public		
Improvements	6,704,192	5,921,047
Culture and Recreation	2,654,936	3,346,408
Conservation and Economic		
Development	4,466,042	3,918,407
<b>Total Expenses</b>	<b>36,405,840</b>	<b>35,528,754</b>
<b>Change in Net Assets</b>	<b>2,895,851</b>	<b>12,540,411</b>
Net Assets - Beginning adjusted	102,379,004	104,412,574
<b>Net Assets - Ending</b>	<b>\$ 105,274,855</b>	<b>\$ 116,952,985</b>

**SUMMIT COUNTY, UTAH**  
**Management's Discussion & Analysis**  
**Year Ended December 31, 2005**

The following table shows to what extent the County's governmental activities relied on taxes and other general revenues to cover all of their costs. For 2005, these programs generated \$15.6 million or 44.1 percent of their total expenses through charges for services and grants. Taxes and other general revenues covered the remaining 55.9 percent of expenses.

**Summit County**  
**Changes in Net Assets**  
**Year Ended December 31, 2005**

	<b>Total Program Expenses</b>	<b>Less Program Revenues</b>	<b>Net Program Costs</b>	<b>Program Revenues as a Percentage of Total Expenses</b>
<b>Activities:</b>				
General Government	\$ 8,697,184	\$ 7,363,815	\$ 1,333,369	84.7%
Public Safety	10,424,598	3,109,278	7,315,320	29.8
Public Health	3,221,109	2,586,927	634,182	80.3
Highways and Public Improvements	5,921,047	1,140,820	4,780,227	19.3
Culture and Recreation	3,346,408	16,691	3,329,717	0.5
Conservation and Economic Development	3,918,407	1,436,611	2,481,796	36.7
<b>Total Governmental Activities</b>	<b>\$ 35,528,754</b>	<b>\$ 15,654,142</b>	<b>\$ 19,874,612</b>	<b>44.1%</b>

**CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION**

**Capital Assets**

Summit County added \$7.7 million in new capital assets during 2005, of which \$7.3 million was for reconstruction of Brown's Canyon, \$814 thousand for open space, \$306 thousand for the construction of a new Search & Rescue complex in Kamas and \$1.5 million for machinery and equipment. The County also sold or disposed of \$508 thousand in capital assets.

Governments have the option of not reporting depreciation on one or more networks or subsystems of their infrastructure assets. Governments that elect to use this optional "modified approach" to infrastructure are required to report specific criteria on condition levels and amounts expended by the County to maintain the infrastructure at the condition levels designated.

Summit County's pavement management system is based on the remaining service life (RSL) of the roadway structure. The RSL is calculated using a condition assessment based on the American Association of State Highway and Transportation Officials (AASHTO) pavement management system. The condition of pavements and other road surfaces is based on stress factors found in pavement surfaces (i.e. rutting and cracking). Condition assessments are completed every two years. Summit County's policy will be to inspect and rate one half of its roads each year and to keep the percentage of road mileage having a RSL of 5 years or less to below 10%.

For the year 2005, Summit County reports the following RSL:

**SUMMIT COUNTY, UTAH**  
**Management's Discussion & Analysis**  
**Year Ended December 31, 2005**

<b>Road RSL</b>	<b>2005 Percentage</b>
RSL < 15 Years	2%
RSL 10 – 15 Years	41%
RSL 5 – 10 Years	53%
RSL > 5 Years	4%

Estimated, or budgeted, amounts needed to maintain and preserve county infrastructure at or above the established condition levels for 2005 are \$8.9 million.

**Long-term Debt**

At December 31, 2005, Summit County had the following long-term debt outstanding:

**Summit County**  
**Long-Term Debt**  
**Year Ended December 31, 2005**

	<b>Governmental Activities</b>
General Obligation Bonds, net of premiums/discounts	\$ 5,970,000
Lease Revenue Bonds	17,116,000
Assessment Bonds	1,621,000
Compensated Absences	1,019,834
Total Long-Term Debt	25,726,834
Less Current Portion	(2,104,000)
<b>Total non current portion</b>	<b>\$ 23,622,834</b>

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

**Fund Balances**

At December 31, 2005, Summit County's governmental funds reported combined fund balances of \$44.5 million. Of this amount, \$19.7 million or 44.3 percent is reserved for various purposes such as debt service and tax stability and is therefore unavailable for future spending. The remaining \$24.8 million or 55.7 percent is available for new spending. The following chart presents the County's 2005 ending fund balances.

**SUMMIT COUNTY, UTAH**  
**Management's Discussion & Analysis**  
**Year Ended December 31, 2005**

**Summit County**  
**Governmental Fund Balances**  
**Year Ended December 31, 2005**

	<b>General Fund</b>	<b>Major Special Revenue Funds</b>	<b>Debt Service Fund</b>	<b>Tax Stability Fund</b>	<b>Nonmajor Funds</b>	<b>Total</b>
Reserved	\$ -	\$ 1,285,269	\$ 2,134,674	\$ 10,449,317	\$ 5,908,802	\$ 19,778,062
Unreserved						
Undesignated	6,084,066	10,300,400	745,952	-	7,674,209	24,804,627
<b>Total</b>	<b>\$ 6,084,066</b>	<b>\$ 11,585,669</b>	<b>\$ 2,880,626</b>	<b>\$ 10,449,317</b>	<b>\$ 13,583,011</b>	<b>\$ 44,582,689</b>
Percent change from prior year	128.3%	(10.1%)	(50.4%)	5.4%	3.8%	0.5%

### **General Fund**

During 2005, the fund balance in the General/Municipal Fund increased \$3.4 million or 128.3 percent. Total revenues increased \$8.3 million or 21 percent of which 33 percent is attributed to an increase in tax revenue and half is from other revenue sources. The remainder of the increase came from grant sources.

Total General/Municipal Fund expenditures increased \$9 million or 57.8 percent due mainly to the following factors:

- The County reconstructed Brown's Canyon Road at a cost of \$7.3 million.
- There were no major deviations from County goals and objectives set out in the 2005 budget.

### **General Fund Budgetary Highlights**

Summit County prepares its budget according to state statutes, as described more fully in Note 2 on page 59. The most significant budgeted funds are the General Fund and Municipal Services Fund. The County amended the General Fund & Municipal Services Fund budgets during the year to meet the needs of the departments as issues arose. There were, however, no significant changes to the original adopted budget nor were there any increases to the total budgets.

Actual General/Municipal Fund revenues were \$421 thousand or 2.3 percent under the final budget. Actual expenditures were approximately \$1.6 million or 6.3 percent below the final budget. The County did not draw upon the existing fund balance in the General/Municipal Fund this year to cover any expenditures.

### **Transient Room/Arts and Recreation Fund**

During 2005, the fund balance of the Transient Room/Arts and Recreation Fund increased \$199 thousand or 27.5 percent from the prior year. The increase was created from amounts awarded through the Arts and Recreation Grants program made in 2004 which were not drawn upon until 2005.

**SUMMIT COUNTY, UTAH**  
**Management's Discussion & Analysis**  
**Year Ended December 31, 2005**

***Tourism Fund***

Tourism taxes (hotel room tax, restaurant tax, and recreation and arts tax) increased \$1.1 million or 20.6 percent over the prior year as a result of an excellent winter ski season and increased expendable income in the economy.

**Non major Funds**

Summit County's non major funds had a combined decrease in fund balance of \$1.9 million or 11.5 percent. Significant changes in non major funds were reclassification of fiduciary funds for open space and \$5.3 million payoff of the 1995 refunding bonds.

**OTHER MATTERS**

During the General Session of the Utah State Legislature, lawmakers made changes to the Utah Code that will impact Summit County's future financial position:

- The formula for calculating the certified tax rate on real and personal property was modified so that it is based on the prior year's budgeted revenues instead of actual revenues. The change is effective for the 2004 budget year. Lacking historical data for comparison purposes, the impact on the County cannot be determined at this time.
- The formula for calculating Assessing and Collecting levies has been changed requiring recipient counties to have a maximum tax effort before they can receive any shared money. This will ultimately lower Summit Counties levy for Assessing and Collecting and save our tax payers money.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of Summit County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information in this report or any other matters related to the County's finances should be addressed to the Summit County Auditor, P. O. Box 128, Coalville, Utah, 84055.

## **BASIC FINANCIAL STATEMENTS**

This page intentionally left blank.



# Summit County, Utah

## Statement of Net Assets

December 31, 2005

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Mountain	Snyderville
				Regional Water	Basin SSD
<b>Assets</b>					
Cash and cash equivalents	\$ 20,368,370	431,603	20,799,973	1,132,515	1,746,740
Restricted cash	26,622,310	-	26,622,310	13,262,008	2,961,856
Accounts receivable - net	3,246,258	1,468	3,247,726	512,114	530,645
Prepaid expenses	-	-	-	257,324	-
Inventory	-	-	-	43,408	-
Other assets	-	-	-	1,314,892	-
Deferred issuance costs	175,671	-	175,671	-	-
Capital assets (net of accumulated depreciation)					
Land and water rights	3,440,802	-	3,440,802	14,746,703	6,907,955
Construction-in-process	306,870	-	306,870	-	-
Buildings	18,870,761	-	18,870,761	33,253,043	13,397,630
Improvements	14,838	-	14,838	-	-
Machinery and equipment	7,212,725	-	7,212,725	-	-
Infrastructure	63,941,840	-	63,941,840	-	-
Total assets	144,200,445	433,071	144,633,516	64,522,007	25,544,826
<b>Liabilities</b>					
Accounts payable and accrued liabilities	4,627,466	103,349	4,730,815	678,270	36,304
Due to other governments	-	-	-	168,405	-
Accrued landfill closure costs	540,408	-	540,408	-	-
Issuance premium	4,063	-	4,063	-	-
Deferred revenue	319,234	-	319,234	-	6,131
Long-term debt - current	2,104,000	-	2,104,000	1,510,400	624,986
Accrued liability - developer - current	-	-	-	14,132	-
Accrued liability - impact fees	-	-	-	27,333	-
Long-term debt - noncurrent	22,603,000	-	22,603,000	48,412,126	14,065,780
Accrued liability - developer	-	-	-	2,100,632	-
Compensated absences	1,016,618	78,962	1,095,580	-	-
Total liabilities	31,214,789	182,311	31,397,100	52,911,298	14,733,201

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Statement of Net Assets**  
**December 31, 2005**

	<b>Primary Government</b>			<b>Component Units</b>	
	<b>Governmental Business-type</b>		<b>Total</b>	<b>Mountain</b>	<b>Snyderville</b>
	<b>Activities</b>	<b>Activities</b>		<b>Regional Water</b>	<b>Basin SSD</b>
<b><u>Net Assets</u></b>					
Invested in capital assets, net of related debt	69,080,836	-	69,080,836	7,198,771	5,145,585
Restricted for					
Debt	2,134,674	-	2,134,674	-	1,275,943
Class B road	361,887	-	361,887	-	-
Capital improvements	4,377,231	-	4,377,231	-	1,685,913
Transient room	923,382	-	923,382	-	-
Restaurant tax	2,448,848	-	2,448,848	-	-
Arts & recreation	1,009,332	-	1,009,332	-	-
Tax stability	10,449,317	-	10,449,317	-	-
Landfill closure	540,408	-	540,408	-	-
Other	-	-	-	1,802,768	-
Unrestricted	21,659,741	250,760	21,910,501	2,609,170	2,704,184
<b>Total net assets</b>	<b>\$ 112,985,656</b>	<b>250,760</b>	<b>113,236,416</b>	<b>11,610,709</b>	<b>10,811,625</b>

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Statement of Activities**  
For the Year Ended December 31, 2005

Function/Programs	Program Revenues					Net (Expense) Revenues & Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Primary Government		Component Units	
						Governmental Activities	Business-type Activities	Mountain Regional Water	Snyderville Basin SSD
<b>Primary government</b>									
Governmental activities									
General government	\$ 8,697,184	4,856,381	2,507,434	-		(1,333,369)	-	-	-
Public safety	10,424,598	2,179,821	929,457	-		(7,315,320)	-	-	-
Highways and public improvements	5,921,047	-	1,140,820	-		(4,780,227)	-	-	-
Cultural and recreation	3,346,408	-	16,691	-		(3,329,717)	-	-	-
Conservation and economic development	3,918,407	1,436,611	-	-		(2,481,796)	-	-	-
Public health	3,221,109	266,462	2,320,465	-		(634,182)	-	-	-
Total governmental activities	35,528,754	8,739,275	6,914,867	-		(19,874,612)	-	-	-
<b>Business-type activities</b>									
Transit District	894,283	1,217,202	-	-		-	322,919	-	-
Total business-type activities	894,283	1,217,202	-	-		-	322,919	-	-
Total primary government	\$ 36,423,037	9,956,477	6,914,867	-		(19,874,612)	322,919	-	-
<b>Component units</b>									
Mountain Regional Water	\$ 3,478,388	4,735,361	11,667	-		-	-	1,268,640	-
Snyderville Basin SSD	5,023,895	592,767	30,000	1,299,575		-	-	-	(3,101,553)
Total component units	\$ 8,502,283	5,328,128	41,667	1,299,575		-	-	1,268,640	(3,101,553)
<b>General revenues</b>									
Property taxes						17,865,936	-	-	3,402,736
General sales and use tax						6,084,364	-	-	192,356
Transient room tax						4,068,222	-	-	-
Impact fees						-	-	704,709	-
SID assessments						-	-	5,182,900	-
Gain (loss) on sale of capital assets						(103,596)	-	169,846	-
Miscellaneous						8,035	-	115,896	9,219
Net interest earnings (expense)						448,840	3,734	(1,942,342)	129,582
Transfers						(25,000)	25,000	-	-
Total general revenues						28,346,801	28,734	4,231,009	3,733,893
Change in net assets						8,472,189	351,653	5,499,649	632,340
Net assets - beginning, as adjusted						104,513,467	(100,893)	6,111,060	10,179,285
Net assets - ending						\$ 112,985,656	250,760	11,610,709	10,811,625

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Balance Sheet**  
**Governmental Funds**  
**For the Year Ended December 31, 2005**

	General Fund	Special Revenue Municipal Services	Transient Room Tax	Permanent Fund Tax Stability	Other Governmental Funds	Total Governmental Funds
<b><u>Assets</u></b>						
Cash and cash equivalents	\$ 7,721,371	10,060,530	379,970	-	8,299,612	26,461,483
Restricted cash	-	361,887	923,382	10,449,317	8,043,476	19,778,062
Receivables (net)						
Accounts	2,414,410	423,400	-	-	408,448	3,246,258
Due from other funds	5,100	-	-	-	-	\$ 5,100.00
<b>Total assets</b>	<b>10,140,881</b>	<b>10,845,817</b>	<b>1,303,352</b>	<b>10,449,317</b>	<b>16,751,536</b>	<b>49,490,903</b>
<b><u>Liabilities and Fund Balances</u></b>						
<b>Liabilities</b>						
Accounts payable	3,051,296	183,530	379,970	-	149,779	3,764,575
Accrued liabilities	819,305	-	-	-	-	819,305
Restaurant tax payable	-	-	-	-	-	-
Unearned revenue	186,214	-	-	-	133,020	319,234
Due to other funds	-	-	-	-	5,100	5,100
<b>Total liabilities</b>	<b>4,056,815</b>	<b>183,530</b>	<b>379,970</b>	<b>-</b>	<b>287,899</b>	<b>4,908,214</b>
<b>Fund Balances</b>						
<b>Reserved for</b>						
Debt	-	-	-	-	2,134,674	2,134,674
Roads	-	361,887	-	-	-	361,887
Transient room	-	-	923,382	-	-	923,382
Arts and recreation	-	-	-	-	1,009,332	1,009,332
Tax stability	-	-	-	10,449,317	-	10,449,317
Restaurant tax	-	-	-	-	2,448,848	2,448,848
Capital projects	1,926,609	-	-	-	2,450,622	4,377,231
<b>Unreserved, reported in</b>						
General Fund	4,157,457	-	-	-	-	4,157,457
Special Revenue Fund	-	10,300,400	-	-	7,092,410	17,392,810
Debt Service Fund	-	-	-	-	745,952	745,952
Capital Project Fund	-	-	-	-	581,799	581,799
<b>Total fund balances</b>	<b>6,084,066</b>	<b>10,662,287</b>	<b>923,382</b>	<b>10,449,317</b>	<b>16,463,637</b>	<b>44,582,689</b>
<b>Total liabilities and fund balances</b>	<b>\$ 10,140,881</b>	<b>10,845,817</b>	<b>1,303,352</b>	<b>10,449,317</b>	<b>16,751,536</b>	<b>49,490,903</b>

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Balance Sheet Reconciliation to Statement of Net Assets**  
**December 31, 2005**

---

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balances - governmental fund types	\$ 44,582,689
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	93,787,836
Internal service funds are used by management to charge the costs of fleet management to individual funds. The assets and liabilities of the internal service fund are included in governmental funds.	749,622
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(26,134,491)</u>
Net assets of government activities	<u><u>\$ 112,985,656</u></u>

---

The notes to the financial statements are an integral part of this statement.

This page intentionally left blank.

# Summit County, Utah

## Statement of Revenues, Expenditures, and Changes in Fund Balances

### Governmental Funds

For the Year Ended December 31, 2005

	General Fund	Special Revenue		Permanent Fund	Other Governmental Funds	Total Governmental Funds
		Municipal Services	Transient Room Tax	Tax Stability		
<b>Revenues</b>						
Taxes	\$11,470,866	6,268,375	4,068,222	-	6,211,059	28,018,522
Licenses and permits	22,734	1,707,203	-	-	-	1,729,937
Intergovernmental	3,582,621	2,104,185	-	-	1,211,370	6,898,176
Charges for services	3,371,904	820,885	-	-	595,690	4,788,479
Fines and forfeitures	41,414	742,834	-	-	-	784,248
Miscellaneous revenue	88,965	34,634	435	-	8,414	132,448
Interest	142,766	377,885	52,186	289,449	605,741	1,468,027
Developer contributions	-	-	-	-	1,436,611	1,436,611
Donations	-	-	-	-	16,691	16,691
Total revenues	18,721,270	12,056,001	4,120,843	289,449	10,085,576	45,273,139
<b>Expenditures</b>						
General government	3,298,413	2,907,402	-	-	2,309,349	8,515,164
Public safety	5,901,409	3,921,231	-	-	767,926	10,590,566
Public health	3,231,616	-	-	-	-	3,231,616
Highways and public improvements	10,885,282	3,143,144	-	-	-	14,028,426
Cultural and recreation	1,395,931	285,118	-	-	1,809,485	3,490,534
Conservation and economic development	87,795	-	3,796,684	-	33,928	3,918,407

The notes to the financial statements are an integral part of this statement.

# Summit County, Utah

## Statement of Revenues, Expenditures, and Changes in Fund Balances

### Governmental Funds

For the Year Ended December 31, 2005

	General Fund	Special Revenue		Permanent Fund Tax Stability	Other Governmental Funds	Total Governmental Funds
		Municipal Services	Transient Room Tax			
<u>Expenditures - continued</u>						
Debt Service						
Principle	-	400,000	-	-	6,855,000	7,255,000
Interest	-	16,702	-	-	995,292	1,011,994
Bond costs	-	-	-	-	17,103	17,103
Capital outlay	-	843,967	-	-	350,333	1,194,300
Total expenditures	24,800,446	11,517,564	3,796,684	-	13,138,416	53,253,110
Excess revenues over (under) expenditures	(6,079,176)	538,437	324,159	289,449	(3,052,840)	(7,979,971)
<u>Other Financing Sources</u>						
Transfer (to) from other funds	1,022,729	(2,005,000)	(125,000)	250,000	832,271	(25,000)
Proceeds from bond issuance	6,651,000	-	-	-	-	6,651,000
Total other financing sources	7,673,729	(2,005,000)	(125,000)	250,000	832,271	6,626,000
Excess of revenues and other sources over (under) expenditures and other uses	1,594,553	(1,466,563)	199,159	539,449	(2,220,569)	(1,353,971)
Fund balances - beginning of year, as adjusted	4,489,513	12,128,850	724,223	9,909,868	18,684,206	45,936,660
Fund balances - end of year	\$ 6,084,066	10,662,287	923,382	10,449,317	16,463,637	44,582,689

The notes to the financial statements are an integral part of this statement.



**Summit County, Utah**  
**Statement of Changes Reconciliation to Statement of Activities**  
**For the Year Ended December 31, 2005**

---

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds \$ (1,353,971)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 8,024,969

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets. (228,009)

The issuance of long-term debt (e.g. bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items. 561,927

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (79,962)

Internal service funds are used by management to charge the costs of fleet management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. 1,547,235

Change in net assets of governmental activities \$ 8,472,189

---

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
<b><u>Revenues</u></b>				
<b><u>Taxes</u></b>				
General property taxes	\$ 10,408,478	10,082,900	9,460,054	(622,846)
General sales and use taxes	2,000,000	2,100,000	2,010,812	(89,188)
	12,408,478	12,182,900	11,470,866	(712,034)
<b><u>Licenses and permits</u></b>				
Building permits	32,000	32,000	22,734	(9,266)
<b><u>Intergovernmental</u></b>				
Federal grants	534,559	375,787	243,797	(131,990)
Dispatch reimbursement	29,000	29,000	31,669	2,669
State jail reimbursement	375,000	550,000	697,976	147,976
State grant	2,375,618	2,412,118	2,385,844	(26,274)
State liquor enforcement	8,000	13,000	19,507	6,507
Court security surcharge	40,000	-	86,899	86,899
Fleet maintenance	20,000	20,000	23,523	3,523
State court reimbursement	65,000	65,000	93,406	28,406
	3,447,177	3,464,905	3,582,621	117,716
<b><u>Charges for services</u></b>				
General government	1,474,000	1,249,000	1,254,823	5,823
Public safety	1,292,900	1,676,000	1,772,188	96,188
Public health	155,400	233,900	266,462	32,562
Recreation	70,000	70,000	78,431	8,431
	2,992,300	3,228,900	3,371,904	143,004
<b><u>Fines and forfeitures</u></b>	37,000	37,000	41,414	4,414
<b><u>Interest on investments</u></b>	123,365	123,365	142,766	19,401
<b><u>Other</u></b>				
Rental income	60,000	60,000	63,433	3,433
Miscellaneous	42,120	13,370	25,532	12,162
	102,120	73,370	88,965	15,595
<b>Total revenues</b>	<b>\$ 19,142,440</b>	<b>19,142,440</b>	<b>18,721,270</b>	<b>(421,170)</b>

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b><u>Expenditures</u></b>				
<b><u>General government</u></b>				
Commission				
Salaries and wages	\$ 23,400	23,400	23,091	309
Employee benefits	9,000	9,000	7,095	1,905
Materials and supplies	900	900	635	265
Travel and training	2,325	2,325	1,257	1,068
Capital outlay	450	450	-	450
Total commission	36,075	36,075	32,078	3,997
Administrative services				
Salaries and wages	12,015	12,015	9,729	2,286
Employee benefits	4,800	4,800	3,603	1,197
Materials and supplies	2,310	2,310	1,127	1,183
Travel and training	600	600	421	179
Capital outlay	375	375	228	147
Total administrative	20,100	20,100	15,108	4,992
Risk management				
Insurance costs	198,500	390,500	368,652	21,848
Public defender				
Professional service	167,600	157,600	140,902	16,698
Information technology				
Salaries and wages	99,150	99,150	114,651	(15,501)
Employee benefits	39,600	39,600	47,712	(8,112)
Materials and supplies	15,750	15,750	16,508	(758)
Travel and training	6,450	6,450	2,478	3,972
Professional service	10,350	10,350	7,816	2,534
Maintenance contracts	42,600	37,600	6,987	30,613
Fleet lease	12,000	12,000	12,000	-
Capital outlay	18,600	18,600	26,013	(7,413)
Total information technology	244,500	239,500	234,165	5,335

**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b><u>Expenditures</u></b>				
Personnel				
Salaries and wages	51,870	51,870	50,897	973
Employee benefits	19,425	17,425	17,543	(118)
Materials and supplies	7,473	7,473	5,677	1,796
Travel and training	8,015	5,015	4,241	774
Professional service	4,734	4,734	4,142	592
Capital outlay	1,785	1,785	1,666	119
Total personnel	93,302	88,302	84,166	4,136
Microfilm				
Salaries and wages	9,485	9,485	9,243	242
Employee benefits	5,145	5,145	5,070	75
Materials and supplies	175	175	13	162
Travel and training	175	175	-	175
Professional service	525	525	-	525
Capital outlay	350	350	-	350
Total microfilm	15,855	15,855	14,326	1,529
Auditor				
Salaries and wages	68,400	68,400	66,458	1,942
Employee benefits	27,900	27,900	26,580	1,320
Materials and supplies	4,425	4,425	4,844	(419)
Travel and training	2,730	2,730	1,876	854
Fleet lease	2,400	2,400	2,400	-
Capital outlay	1,050	1,050	595	455
Total auditor	106,905	106,905	102,753	4,152

**Summit County, Utah**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Expenditures</u></b>				
Clerk				
Salaries and wages	58,000	55,500	53,258	2,242
Employee benefits	20,400	17,900	16,746	1,154
Materials and supplies	4,026	4,026	1,954	2,072
Travel and training	2,760	2,760	1,713	1,047
Professional service	15,000	10,000	9,945	55
Capital outlay	4,800	4,800	3,321	1,479
Total clerk	104,986	94,986	86,937	8,049
Treasurer				
Salaries and wages	8,150	8,150	7,796	354
Employee benefits	3,050	3,050	2,922	128
Materials and supplies	360	360	225	135
Travel and training	250	250	84	166
Fleet lease	75	75	75	-
Capital outlay	30	30	-	30
Total treasurer	11,915	11,915	11,102	813
Recorder				
Salaries and wages	228,600	218,600	216,741	1,859
Employee benefits	103,800	98,800	98,809	(9)
Materials and supplies	29,400	29,400	27,918	1,482
Travel and training	3,000	3,000	2,776	224
Professional service	16,800	16,800	16,479	321
Fleet lease	6,000	6,000	6,000	-
Capital outlay	9,120	9,120	6,795	2,325
Total recorder	396,720	381,720	375,518	6,202

**Summit County, Utah**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Expenditures</u></b>				
Attorney				
Salaries and wages	400,440	381,440	376,884	4,556
Employee benefits	133,800	123,800	117,803	5,997
Materials and supplies	19,020	19,020	19,938	(918)
Travel and training	12,600	12,600	9,797	2,803
Professional service	66,600	80,600	86,192	(5,592)
Fleet lease	5,073	5,073	5,073	-
Capital outlay	7,560	7,560	5,778	1,782
Other	28,200	28,200	2,794	25,406
Total attorney	<u>673,293</u>	<u>658,293</u>	<u>624,259</u>	<u>34,034</u>
Non-departmental				
Auditing	12,000	16,000	11,397	4,603
Advertising	28,000	30,000	33,704	(3,704)
Postage	32,000	32,000	28,012	3,988
Membership	19,500	19,500	17,359	2,141
Contributions	476,625	289,850	202,973	86,877
Miscellaneous	40,500	35,500	31,796	3,704
Total non-departmental	<u>608,625</u>	<u>422,850</u>	<u>325,241</u>	<u>97,609</u>
Courthouse				
Salaries and wages	62,930	62,930	57,835	5,095
Employee benefits	27,559	27,559	25,370	2,189
Materials and supplies	14,322	14,322	14,989	(667)
Travel and training	651	651	208	443
Professional service	13,758	13,758	10,223	3,535
Fleet lease	26,040	26,040	26,040	-
Capital outlay	11,935	11,935	4,646	7,289
Telephone	39,060	39,060	50,651	(11,591)
Utilities	33,418	38,418	39,961	(1,543)
Total courthouse	<u>229,673</u>	<u>234,673</u>	<u>229,923</u>	<u>4,750</u>

**Summit County, Utah**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Expenditures</u></b>				
Richins building				
Salaries and wages	27,093	27,093	22,721	4,372
Employee benefits	13,688	13,688	13,267	421
Materials and supplies	10,856	9,336	9,604	(268)
Professional service	13,782	13,782	10,306	3,476
Capital outlay	7,977	16,677	16,613	64
Telephone	42,480	28,000	25,953	2,047
Utilities	31,152	31,152	34,561	(3,409)
Total Richins building	<u>147,028</u>	<u>139,728</u>	<u>133,025</u>	<u>6,703</u>
Kamas building				
Materials and supplies	19,513	8,513	7,674	839
Professional service	14,896	10,896	9,201	1,695
Capital outlay	15,649	11,649	6,620	5,029
Telephone	15,456	6,456	6,484	(28)
Utilities	11,592	11,592	12,230	(638)
Total Kamas building	<u>77,106</u>	<u>49,106</u>	<u>42,209</u>	<u>6,897</u>
Public works/animal shelter				
Materials and supplies	3,600	3,600	3,344	256
Professional service	8,730	5,730	3,040	2,690
Capital outlay	29,520	16,520	7,347	9,173
Telephone	7,200	7,200	5,891	1,309
Utilities	21,600	21,600	28,994	(7,394)
Total public works/ animal shelter	<u>70,650</u>	<u>54,650</u>	<u>48,616</u>	<u>6,034</u>

**Summit County, Utah**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b><u>Expenditures</u></b>				
Public safety complex				
Salaries and wages	60,350	50,350	47,787	2,563
Employee benefits	31,000	26,000	22,652	3,348
Materials and supplies	30,000	25,000	18,711	6,289
Travel and training	1,200	1,200	-	1,200
Professional service	47,300	20,300	25,548	(5,248)
Fleet lease	40,000	40,000	40,000	-
Capital outlay	46,350	11,350	11,947	(597)
Telephone	68,000	58,000	46,346	11,654
Utilities	126,000	188,000	185,977	2,023
Total public safety complex	450,200	420,200	398,968	21,232
Fleet services				
Materials and supplies	4,200	5,200	4,285	915
Fleet lease	6,000	6,000	6,000	-
Total fleet services	10,200	11,200	10,285	915
Elections				
Materials and supplies	23,650	10,150	8,936	1,214
Travel and training	1,760	2,760	3,020	(260)
Professional service	11,200	9,500	5,692	3,808
Capital outlay	3,000	2,200	2,532	(332)
Total elections	39,610	24,610	20,180	4,430
Total general government	3,702,843	3,558,768	3,298,413	260,355
<b><u>Public safety</u></b>				
North Summit ambulance				
Local management	202,457	205,457	203,016	2,441
Fleet lease	30,000	30,000	30,000	-
Total North Summit ambulance	232,457	235,457	233,016	2,441



**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
<b><u>Expenditures</u></b>				
South Summit ambulance				
Salaries and wages	115,000	108,000	111,487	(3,487)
Employee benefits	9,200	9,200	9,605	(405)
Materials and supplies	27,300	26,300	21,721	4,579
Travel and training	5,300	3,300	2,518	782
Professional service	3,120	3,120	3,142	(22)
Fleet lease	25,000	25,000	25,000	-
Capital outlay	1,000	1,000	-	1,000
Other	5,000	2,000	1,792	208
Total South Summit ambulance	190,920	177,920	175,265	2,655
Park City ambulance				
Local management	868,605	913,605	909,067	4,538
Fleet lease	80,000	80,000	80,000	-
Total Park City ambulance	948,605	993,605	989,067	4,538
Sheriff department				
Salaries and wages	129,150	146,150	142,037	4,113
Employee benefits	60,000	65,000	62,108	2,892
Materials and supplies	9,000	9,000	9,451	(451)
Travel and training	1,725	1,725	1,932	(207)
Professional service	-	-	1,000	(1,000)
Vehicle maintenance & fuel	16,650	24,650	23,200	1,450
Fleet lease	27,750	27,750	27,750	-
Capital outlay	1,500	1,500	1,427	73
Total sheriff department	245,775	275,775	268,905	6,870

**Summit County, Utah**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Expenditures</u></b>				
Criminal investigation				
Salaries and wages	34,500	39,000	37,622	1,378
Employee benefits	13,575	14,075	13,514	561
Materials and supplies	1,943	1,943	2,350	(407)
Travel and training	1,050	1,050	1,331	(281)
Professional service	3,450	1,450	968	482
Vehicle maintenance & fuel	2,100	2,100	2,291	(191)
Fleet lease	3,300	3,300	3,300	-
Capital outlay	750	750	82	668
Total criminal investigation	60,668	63,668	61,458	2,210
Search & rescue				
Materials and supplies	44,000	45,500	43,431	2,069
Travel and training	8,000	5,000	4,699	301
Vehicle maintenance & fuel	15,000	41,500	36,723	4,777
Fleet lease	12,000	12,000	12,000	-
Capital outlay	15,000	5,000	4,899	101
Total search & rescue	94,000	109,000	101,752	7,248
Communications				
Salaries and wages	455,000	462,000	459,394	2,606
Employee benefits	210,000	194,500	194,612	(112)
Materials and supplies	15,450	22,450	21,529	921
Travel and training	5,000	6,000	5,924	76
Professional service	46,460	42,460	41,358	1,102
Fleet lease	15,000	15,000	15,000	-
Capital outlay	4,500	17,500	16,703	797
Total communications	751,410	759,910	754,520	5,390
E911				
Materials and supplies	32,000	13,000	13,424	(424)
Professional service	110,000	150,000	126,790	23,210
Total E911	142,000	163,000	140,214	22,786

**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
<b>Expenditures</b>				
Sheriff's administration				
Salaries and wages	60,075	60,075	61,524	(1,449)
Employee benefits	25,275	25,275	24,732	543
Materials and supplies	21,450	21,450	19,260	2,190
Travel and training	900	900	892	8
Professional service	-	-	24	(24)
Vehicle maintenance & fuel	1,800	1,800	1,937	(137)
Fleet lease	4,500	4,500	4,500	-
Capital outlay	2,280	2,280	1,978	302
Total sheriff's administration	116,280	116,280	114,847	1,433
Bailiff				
Salaries and wages	207,000	260,000	255,780	4,220
Employee benefits	101,000	114,000	116,448	(2,448)
Materials and supplies	7,000	7,000	7,525	(525)
Travel and training	3,000	3,000	2,194	806
Professional service	4,000	4,000	3,825	175
Vehicle maintenance & fuel	2,000	8,000	7,075	925
Capital outlay	5,000	2,000	1,772	228
Total bailiff	329,000	398,000	394,619	3,381
Special operations				
Salaries and wages	50,100	65,100	64,275	825
Employee benefits	24,300	27,300	26,928	372
Materials and supplies	3,225	4,225	3,260	965
Travel and training	1,650	1,650	1,516	134
Professional service	300	300	234	66
Vehicle maintenance & fuel	2,550	5,550	4,600	950
Fleet lease	8,700	8,700	8,700	-
Capital outlay	5,625	4,625	4,306	319
Total special operations	96,450	117,450	113,819	3,631

**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b><u>Expenditures</u></b>				
Compliance services				
Salaries and wages	-	5,500	5,376	124
Employee benefits	-	1,000	963	37
Total compliance services	-	6,500	6,339	161
Corrections				
Salaries and wages	867,000	1,003,000	1,001,985	1,015
Employee benefits	425,000	415,000	411,581	3,419
Materials and supplies	132,500	150,500	149,895	605
Travel and training	18,000	20,500	19,308	1,192
Professional service	7,500	7,500	4,273	3,227
Vehicle maintenance & fuel	4,000	4,000	5,370	(1,370)
Fleet lease	8,000	8,000	8,000	-
Capital outlay	8,000	38,000	38,579	(579)
Inmate pay	10,000	14,500	13,527	973
Total corrections	1,480,000	1,661,000	1,652,518	8,482
Jail kitchen				
Salaries and wages	100,000	110,000	109,440	560
Employee benefits	46,500	46,500	47,157	(657)
Materials and supplies	153,000	198,000	191,973	6,027
Travel and training	500	500	570	(70)
Professional service	1,000	-	-	-
Capital outlay	5,000	1,000	1,097	(97)
Total jail kitchen	306,000	356,000	350,237	5,763
Stockyards				
Capital outlay	2,000	2,100	2,018	82

**Summit County, Utah**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
<b><u>Expenditures</u></b>				
Animal control				
Salaries and wages	245,000	211,000	210,484	516
Employee benefits	122,000	90,000	86,994	3,006
Materials and supplies	16,000	34,000	33,121	879
Travel and training	5,500	2,500	4,463	(1,963)
Professional service	500	500	473	27
Vehicle maintenance & fuel	24,000	23,000	22,252	748
Fleet lease	35,000	35,000	35,000	-
Capital outlay	8,000	3,000	2,891	109
Total animal control	456,000	399,000	395,678	3,322
Emergency services				
Materials and supplies	5,200	5,200	6,216	(1,016)
Travel and training	1,000	1,000	1,047	(47)
Professional service	35,100	29,100	29,100	-
Capital outlay	4,000	4,000	1,030	2,970
Other	162,500	110,500	109,744	756
Total emergency services	207,800	149,800	147,137	2,663
Total public safety	5,659,365	5,984,465	5,901,409	83,056
<b><u>Public health</u></b>				
Administration				
Salaries and wages	201,000	145,000	126,838	18,162
Employee benefits	67,000	46,870	37,930	8,940
Materials and supplies	2,395	-	-	-
Travel and training	11,000	11,000	-	11,000
Professional service	60,000	60,000	38,069	21,931
Capital outlay	2,500	2,500	-	2,500
Total administration	343,895	265,370	202,837	62,533

**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b><u>Expenditures</u></b>				
Public nurse	-	-	5,735	(5,735)
General public health				
Salaries and wages	715,000	766,000	782,997	(16,997)
Employee benefits	290,000	296,000	304,401	(8,401)
Materials and supplies	466,500	467,356	518,752	(51,396)
Travel and training	23,700	32,500	33,002	(502)
Professional service	94,800	106,300	117,106	(10,806)
Vehicle maintenance & fuel	5,000	500	377	123
Fleet lease	30,000	30,000	30,000	-
Capital outlay	9,300	9,600	6,873	2,727
Other	55,000	31,300	32,931	(1,631)
Total general public health	1,689,300	1,739,556	1,826,439	(86,883)
Prevention center	643,447	650,000	402,437	247,563
Mental health	380,450	455,806	272,392	183,414
Environmental health				
Salaries and wages	202,000	216,000	219,131	(3,131)
Employee benefits	79,000	85,000	86,401	(1,401)
Materials and supplies	17,300	20,300	16,570	3,730
Travel and training	7,800	7,800	7,944	(144)
Vehicle maintenance & fuel	800	14,000	13,068	932
Fleet lease	32,000	32,000	32,000	-
Capital outlay	12,500	-	-	-
Other	39,000	19,000	15,985	3,015
Total environmental health	390,400	394,100	391,099	3,001

**Summit County, Utah**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b><u>Expenditures</u></b>				
Bio terrorism				
Salaries and wages	90,000	52,000	50,428	1,572
Employee benefits	30,000	18,000	16,869	1,131
Materials and supplies	22,404	20,500	22,858	(2,358)
Travel and training	22,236	28,500	26,517	1,983
Professional service	18,000	4,000	440	3,560
Vehicle maintenance & fuel	3,000	3,000	340	2,660
Fleet lease	6,000	6,000	6,000	-
Capital outlay	2,750	5,050	7,225	(2,175)
Total bio terrorism	194,390	137,050	130,677	6,373
Total public health	3,641,882	3,641,882	3,231,616	410,266
<b><u>Highways and public improvements</u></b>				
Public works				
Salaries and wages	55,800	56,800	56,857	(57)
Employee benefits	20,400	20,400	19,936	464
Materials and supplies	25,000	29,000	28,804	196
Travel and training	1,200	1,200	1,085	115
Professional service	600	600	-	600
Vehicle maintenance & fuel	-	-	-	-
Fleet lease	2,000	2,000	2,000	-
Capital outlay	700	700	311	389
Total public works	105,700	110,700	108,993	1,707
Waste Disposal				
Salaries and wages	214,000	208,000	207,562	438
Employee benefits	87,000	80,000	78,794	1,206
Materials and supplies	18,500	14,500	13,124	1,376
Travel and training	800	800	-	800
Professional service	1,485,000	1,355,975	1,254,931	101,044
Vehicle maintenance & fuel	75,000	83,000	86,241	(3,241)
Fleet lease	115,000	115,000	115,000	-
Other	53,400	37,400	37,694	(294)
Total waste disposal	2,048,700	1,894,675	1,793,346	101,329

**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b><u>Expenditures</u></b>				
Weed control				
Salaries and wages	100,500	88,500	83,549	4,951
Employee benefits	36,000	29,000	27,996	1,004
Materials and supplies	6,000	8,000	6,989	1,011
Travel and training	6,000	3,000	3,150	(150)
Vehicle maintenance & fuel	43,000	48,000	46,436	1,564
Fleet lease	6,000	6,000	6,000	-
Capital outlay	8,000	11,000	10,094	906
Other	70,000	70,000	67,193	2,807
Total weed control	275,500	263,500	251,407	12,093
Survey				
Materials and supplies	2,000	2,000	-	2,000
Professional service	5,000	5,000	2,800	2,200
Other	15,000	15,000	4,300	10,700
Total survey	22,000	22,000	7,100	14,900
Roads	9,355,000	9,355,000	8,724,436	630,564
Total highways and public improvements	11,806,900	11,645,875	10,885,282	760,593
<b><u>Cultural and recreation</u></b>				
Television				
Materials and supplies	4,000	-	580	(580)
Travel and training	1,500	1,500	200	1,300
Professional service	33,000	33,000	31,800	1,200
Fleet lease	35,000	35,000	35,000	-
Capital outlay	20,000	20,000	7,240	12,760
Utilities	18,000	25,000	25,190	(190)
Total television	111,500	114,500	100,010	14,490



**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b><u>Expenditures</u></b>				
Library				
Salaries and wages	347,000	347,000	359,849	(12,849)
Employee benefits	152,000	140,000	136,454	3,546
Materials and supplies	166,648	171,648	159,696	11,952
Travel and training	6,900	6,900	7,770	(870)
Professional service	2,000	2,000	3,467	(1,467)
Fleet lease	15,000	-	15,000	(15,000)
Capital outlay	15,000	14,000	22,438	(8,438)
Telephone	11,500	11,500	8,866	2,634
Other	107,288	107,288	52,397	54,891
Total library	823,336	800,336	765,937	34,399
Historical society				
Salaries and wages	28,600	28,600	29,430	(830)
Employee benefits	15,000	15,000	12,981	2,019
Materials and supplies	8,000	8,000	11,340	(3,340)
Travel and training	3,000	3,000	898	2,102
Capital outlay	2,000	2,000	1,353	647
Other	3,000	3,000	3,000	-
Total historical society	59,600	59,600	59,002	598
County fair				
Salaries and wages	2,000	2,000	-	2,000
Employee benefits	175	175	-	175
Capital outlay	5,000	5,000	4,464	536
Other	163,800	163,800	158,925	4,875
Total county fair	170,975	170,975	163,389	7,586

**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
<u>Expenditures</u>				<u>Positive</u>
				<u>(Negative)</u>
Fair grounds				
Salaries and wages	101,500	101,500	101,453	47
Employee benefits	40,000	40,000	36,523	3,477
Materials and supplies	1,200	1,200	5,039	(3,839)
Professional service	23,100	23,100	9,572	13,528
Fleet lease	10,000	10,000	10,000	-
Capital outlay	71,500	71,500	24,408	47,092
Utilities	10,000	10,000	11,306	(1,306)
Total fair grounds	257,300	257,300	198,301	58,999
State fair	2,000	2,000	622	1,378
Youth recreation north	41,730	41,730	34,928	6,802
Youth recreation south	61,765	61,765	43,742	18,023
Youth recreation basin	30,000	30,000	30,000	-
Total cultural and recreation	1,558,206	1,538,206	1,395,931	142,275
<u>Conservation and economic development</u>				
Agriculture extension service				
Salaries and wages	41,000	41,000	39,153	1,847
Employee benefits	17,000	17,000	16,370	630
Materials and supplies	10,950	10,950	10,168	782
Travel and training	10,000	10,000	11,660	(1,660)
Professional service	9,400	9,400	9,058	342
Fleet lease	-	-	-	-
Capital outlay	3,500	3,500	1,386	2,114
Total agriculture extension service	91,850	91,850	87,795	4,055
Total conservation and economic development	91,850	91,850	87,795	4,055

**Summit County, Utah**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - General Fund - Continued**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
<b><u>Expenditures</u></b>				
Total expenditures	26,461,046	26,461,046	24,800,446	1,660,600
Excess revenues over (under) expenditures	(7,318,606)	(7,318,606)	(6,079,176)	1,239,430
<b><u>Other financing sources (uses)</u></b>				
Transfers to other funds	(1,903,080)	(1,903,080)	(1,238,180)	664,900
Transfers from other funds	1,385,000	1,385,000	2,260,909	875,909
Proceeds from bond issuance	6,625,000	6,625,000	6,651,000	26,000
Total other financing sources (uses)	6,106,920	6,106,920	7,673,729	1,566,809
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,211,686)	(1,211,686)	1,594,553	2,806,239

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Municipal Services**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
<b><u>Revenues</u></b>				
Taxes	\$ 5,807,240	5,772,240	6,268,375	496,135
Licenses and permits	1,124,000	1,615,000	1,707,203	92,203
Intergovernmental	2,131,395	2,216,079	2,104,185	(111,894)
Charges for services	599,600	799,350	820,885	21,535
Fines and forfeitures	700,000	735,000	742,834	7,834
Miscellaneous	41,250	5,000	34,634	29,634
Interest	109,500	109,500	377,885	268,385
<b>Total revenues</b>	<b>10,512,985</b>	<b>11,252,169</b>	<b>12,056,001</b>	<b>803,832</b>
<b><u>Expenditures</u></b>				
General government	2,982,243	3,020,393	2,907,402	112,991
Public safety	4,241,678	4,402,923	4,337,933	64,990
Highways and public improvements	3,396,650	3,242,255	3,143,144	99,111
Culture & recreation	347,600	302,600	285,118	17,482
Capital outlay	715,000	715,000	843,967	(128,967)
<b>Total expenditures</b>	<b>11,683,171</b>	<b>11,683,171</b>	<b>11,517,564</b>	<b>165,607</b>
<b>Excess revenues over (under)</b>				
<b>    expenditures</b>	<b>(1,170,186)</b>	<b>(431,002)</b>	<b>538,437</b>	<b>969,439</b>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers to other funds	5,000	5,000	(2,005,000)	(2,010,000)
<b>Total other financing sources and (uses)</b>	<b>5,000</b>	<b>5,000</b>	<b>(2,005,000)</b>	<b>(2,010,000)</b>
<b>Excess of revenues and other sources</b>				
<b>    over (under) expenditures and other uses</b>	<b>(1,165,186)</b>	<b>(426,002)</b>	<b>(1,466,563)</b>	<b>(1,040,561)</b>
<b>Fund balances - beginning of year, as adjusted</b>	<b>12,128,850</b>	<b>12,128,850</b>	<b>12,128,850</b>	<b>-</b>
<b>Fund balances - end of year</b>	<b>\$10,963,664</b>	<b>11,702,848</b>	<b>10,662,287</b>	<b>(1,040,561)</b>

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Transient Room Tax**  
**For the Year Ended December 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
<b><u>Revenues</u></b>				
Tax	\$4,000,000	4,150,000	4,068,222	(81,778)
Miscellaneous	-	-	435	435
Interest	25,000	50,000	52,186	2,186
Total revenues	4,025,000	4,200,000	4,120,843	(79,157)
<b><u>Expenditures</u></b>				
Conservation and economic development	3,900,000	4,179,150	3,796,684	382,466
Total expenditures	3,900,000	4,179,150	3,796,684	382,466
Excess revenues over (under) expenditures	125,000	20,850	324,159	303,309
<b><u>Other Financing Sources (Uses)</u></b>				
Transfer (to) from other funds	(125,000)	(125,000)	(125,000)	-
Total other financing sources and (uses)	(125,000)	(125,000)	(125,000)	-
Excess of revenues and other sources over (under) expenditures and other use	-	(104,150)	199,159	303,309
Fund balances - beginning of year	724,223	724,223	724,223	-
Fund balances - end of year	\$ 724,223	620,073	923,382	303,309

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Statement of Net Assets**  
**Proprietary Funds**  
**December 31, 2005**

	Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Fund
	Primary Government Transit District	Primary Government Fleet Leasing
<b><u>Assets</u></b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 431,603	751,135
Accounts receivable - net	1,468	-
Due from other funds	-	-
Total current assets	433,071	751,135
<b>Noncurrent assets</b>		
Land, equipment, buildings and improvements	-	14,283,138
Less: accumulated depreciation	-	(7,635,816)
Total noncurrent assets	-	6,647,322
Total assets	433,071	7,398,457
<b><u>Liabilities</u></b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	103,349	1,513
Unearned revenue	78,962	-
Total current liabilities	182,311	1,513
Total liabilities	182,311	1,513
<b><u>Net Assets</u></b>		
Investment in capital assets, net of related debt	-	6,647,322
Unrestricted		
Undesignated	250,760	749,622
Total net assets	250,760	7,396,944
Total liabilities and net assets	\$ 433,071	7,398,457

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended December 31, 2005**

	Business-Type Activities	Governmental Activities - Internal
	Enterprise Funds	Service Fund
	Primary Government	Primary Government
	Transit District	Fleet Leasing
<b><u>Operating revenues</u></b>		
Taxes	\$ 949,599	-
Assessments	267,603	1,565,228
Total operating revenues	1,217,202	1,565,228
<b><u>Operating expenses</u></b>		
Bus service	881,606	-
Maintenance and supplies	9,701	52,196
Other	2,976	-
Depreciation and amortization	-	1,427,075
Total operating expenses	894,283	1,479,271
Operating income	322,919	85,957
<b><u>Nonoperating revenues (expenses)</u></b>		
Transfer from general fund	25,000	-
Interest revenue	3,734	34,203
Total nonoperating revenues (expenses)	28,734	34,203
Change in net assets	351,653	120,160
Total net assets - beginning, as adjusted	(100,893)	7,276,784
Total net assets - ending	\$ 250,760	7,396,944

The notes to the financial statements are an integral part of this statement.

**Summit County, Utah**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2005**

	Business-Type Activities Enterprise Funds	Governmental Activities - Internal
	Primary Government Transit District	Primary Government Fleet Leasing
<b><u>Cash flows from operating activities</u></b>		
Receipts from customers	\$ 1,463,861	1,586,163
Payments to suppliers	8,752	(50,683)
Payments to employees/sub contractors	(881,606)	-
Net cash provided (used) by operating activities	591,007	1,535,480
<b><u>Cash flows from noncapital financing activities</u></b>		
Transfers from other funds	25,000	-
Net cash provided by noncapital financing activities	25,000	-
<b><u>Cash flows from investing activities</u></b>		
Purchase of fixed assets	-	(1,961,990)
Interest and dividends received	3,734	34,203
Net cash provided (used) by investing activities	3,734	(1,927,787)
Net increase (decrease) in cash and cash equivalents	619,741	(392,307)
Cash and cash equivalents - beginning	(188,138)	1,143,442
Cash and cash equivalents (deficit) - end	\$ 431,603	751,135
<b><u>Reconciliation of operating income to net cash provided (used) by operating activities</u></b>		
Operating income	\$ 322,919	85,957
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense	-	1,427,075
Increase (decrease) in unearned revenue	78,962	-
(Increase) decrease in accounts receivable	167,697	20,935
Increase (decrease) in accounts payable	21,429	1,513
Total adjustments	268,088	1,449,523
Net cash provided (used) by operating activities	\$ 591,007	1,535,480

The notes to the financial statements are an integral part of this statement.



**Summit County, Utah**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Fund Types**  
**For the Year Ended December 31, 2005**

	County General Agency	Treasurer's Tax Fund
<b><u>Assets</u></b>		
Cash and cash equivalents	\$ 3,610,795	7,023,467
Total assets	<u>3,610,795</u>	<u>7,023,467</u>
<b><u>Liabilities</u></b>		
Deferred tax distributions	-	54,681
Engineering bonds payable	2,029,351	-
Court bail bonds payable	71,296	-
Multi-county levy payable	948,829	-
Due to other entities	561,319	6,968,786
Total liabilities	<u>\$ 3,610,795</u>	<u>7,023,467</u>

The notes to the financial statements are an integral part of this statement.

## **NOTES TO FINANCIAL STATEMENTS**

**Summit County, Utah**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2005**

---

**Note 1 - Summary of Significant Accounting Policies**

**Reporting Entity**

The County is governed by an elected three member commission. As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

*Blended component units* - The following entities are blended in the accompanying general purpose financial statements:

Redevelopment Agency of Summit County

Blending means that component unit balances and transactions are combined with balances and transactions of the primary government. Although legally separate from the County, the above component unit is blended because it is governed by a board comprised of the County Commissioners. The County retains fiscal responsibility for this entity. This entity is reported as a special revenue fund.

*Discretely presented component units* - The following entities are discretely presented in the accompanying general purpose financial statements:

Mountain Regional Water Special Service District, formerly Atkinson Special Service District

Snyderville Basin Recreation Special Service District

The Districts are included as discretely presented component units in the County's financial statements because of the significance of their operational and financial relationship with the County. The County is financially accountable for the Districts because the County's commission approves the Districts budgets and must approve any debt issuances.

Complete financial statements for the component units may be obtained at the entities administrative offices.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

---

**Note 1 - Summary of Significant Accounting Policies - Continued**

**Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Measurement focus, basis of accounting, and financial statement presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

---

**Note 1 - Summary of Significant Accounting Policies - Continued**

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

The *general fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Special revenue funds* are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The County utilizes special revenue funds to account for the activities of: Municipal Services and Transient Room Tax.

*Permanent funds* are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs. The County's only permanent fund is the Tax Stability Fund.

The County reports the following major proprietary funds:

The *transit district fund* accounts for the operations of the County's transit system .

Additionally, the government reports the following fund types:

*Internal service funds* account for fleet and other large purchases provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

*Fiduciary funds* include the General Agency Fund and the Treasurer's Tax Fund which are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

---

**Note 1 - Summary of Significant Accounting Policies - Continued**

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, service, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**Assets, liabilities, and net assets or equity**

**1. Deposits and investments**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Investments for the County, as well as for its component units, are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**2. Receivables and payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

All trade, property, sales, and franchise tax receivables are shown net of an allowance for uncollectibles.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 1 - Summary of Significant Accounting Policies - Continued**

The County bills and collects property taxes for all taxing districts within the County through the tax collection trust fund. All property taxes collected in 2005 were apportioned and distributed to the taxing districts, including the December 31, 2005 balance which was distributed in early 2006.

Sales taxes are collected by the State Tax Commission and remitted to the County monthly.

**3. Restricted cash and cash equivalents**

Certain resources of the County's governmental funds are set aside for the following: debt, Class B road, capital improvements, transient room, restaurant tax, arts and recreation, tax stability and payment of landfill closure costs as required by applicable federal and state

**4. Capital assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable government or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Infrastructure capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized. The County has elected to follow the modified approach for depreciation of infrastructure assets.

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25-50
Building improvements	25-50
System infrastructure	30
Equipment	3-10
Vehicles	3-10

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

---

**Note 1 - Summary of Significant Accounting Policies - Continued**

**5. Compensated absences**

The County accounts for compensated absences in accordance with NGGA Statement No. 4. In governmental funds, compensated absences are recorded as expenditures in the year paid, as it is the County's policy to liquidate any unpaid vacation available from expendable resources. The County's policy allows for a maximum of 1/2 of time earned during the year to be carried over into the next year. Sick leave can accumulate without limit. The County pays all unused vacation days upon separation. Sick leave is paid either in health insurance or cash upon separation.

**6. Long-term obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discount, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**7. Fund equity/Net assets**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.



**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 2 - Reconciliation of Government-wide and Fund Financial Statements**

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net assets of governmental activities as reported in the government-wide statement of net assets. This difference primarily results from the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets.

Capital related items:

When capital assets (property, plant, and equipment) that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the County as a whole.

Cost of capital assets	\$116,231,123
Accumulated depreciation	<u>(22,443,287)</u>
Total difference	<u><u>\$ 93,787,836</u></u>

Long-term debt transactions:

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities in the fund financials. All liabilities (both current and long-term) are reported in the statement of net assets. Balances at December 31, 3005 were:

Bonds payable	\$ (24,707,000)
Premium on issuance	(4,063)
Deferred issuance costs	175,671
Accrued landfill closure costs	(540,408)
Interest payable	(42,073)
Compensated absences	<u>(1,016,618)</u>
Total difference	<u><u>\$ (26,134,491)</u></u>

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 2 - Reconciliation of Government-wide and Fund Financial Statements - Continued**

B. Explanation of differences between governmental fund operating statements and the statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. The first element of this reconciliation states that capital outlays are reported in the governmental funds as expenditures while the government-wide statement of activities allocates these costs over the useful lives of the assets as depreciation. While shown in the reconciliation as the net difference, the elements of this difference are as follows:

Capital outlay	\$ 10,625,459
Depreciation expense	<u>(2,600,490)</u>
Net difference as reported	<u>\$ 8,024,969</u>

Another element of the reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets." The details of this difference are as follows:

Debt issued or incurred	\$ (6,651,000)
Principal repayments	
Bond payments	7,255,000
Accrued interest	<u>(42,073)</u>
Net difference as reported	<u>\$ 561,927</u>

Another element of that reconciliation states that "The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets." The details of this difference are as follows:

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of capital assets sold.

Net difference reported	<u>\$ (228,009)</u>
-------------------------	---------------------

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

---

**Note 2 - Reconciliation of Government-wide and Fund Financial Statements - Continued**

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this difference are as follows:

Amortization of bond premium	\$ 677
Compensated absences	(140,124)
Amortization of bond issuance costs	(22,283)
Bond issuance costs	139,908
Amortization of landfill closure costs	(58,140)
Net difference reported	<u>\$ (79,962)</u>

**Budgetary information**

Budgets are prepared and adopted, in accordance with State law, by the Summit County Commissioners. Annual appropriated budgets are adopted for the general and special revenue funds. Budgets must be adopted on or before December 15th for the following fiscal year, beginning January 1. Budgets may be increased by resolution of the Summit County Commissioners at any time during the year. A public hearing must be held regarding any proposed increase in a fund's appropriations. Budgets are adopted at sub-departmental levels. However, budget amendments are required only when excess expenditures occur at the departmental level. Appropriations lapse at December 31.

**Note 3 - Stewardship, Compliance, and Accountability**

Utah State law states that expenditures being made in excess of those budgeted, is an illegally created debt in violation of the Utah Constitution. As such the total illegally created deficit should be budgeted to be made up in the following fiscal year. Deficits arising from emergencies are not illegal and may be retired over 5 years. The law also allows for the accumulation of a fund balance in the general fund in an amount equal to 20% of the total estimated revenue of the General Fund. In the event that the fund balance, at the end of the fiscal year, is in excess of that allowed, the County has one year, to determine an appropriate use and then the excess must be included as an available resource in the general fund budget. For the year ending December 31, 2005, the County is over the 20% of the total estimated limit of revenue in the General Fund. Additionally, the Atkinson Water Debt Service Fund has a deficit fund balance.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

---

**Note 3 - Stewardship, Compliance, and Accountability - continued**

Excess of expenditures over appropriations

For the year ended December 31, 2005, expenditures exceeded appropriations in the following departments:

General fund

Public Health Department

Municipal Services

Transfers

Nonmajor Funds

Arts & Recreation - Special Revenue

Other Services - Special Revenue

Open Spaces - Capital Projects

**Note 4 - Detailed Notes on all Funds**

Deposits and investments

Deposits and investments for local government are governed by the Utah Money Management Act (Utah Code Annotated, Title 51, Chapter 7, "the Act") and by rules of the Utah Money Management Council ("the Council"). Following are discussions of the local government's exposure to various risks related to its cash management activities.

*Custodial Credit Risk* - Deposits - Custodial credit risk for deposits is the risk that in the event of a bank failure, the local government's deposits may not be recovered. The local government's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the local government to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. As of December 31, 2005, \$18,038,017 of the local government's bank balances of \$18,538,017 were uninsured and uncollateralized.

*Credit Risk* - Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The local government's policy for limiting the credit risk of investments is to comply with the Money Management Act.

The local government is authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participants' average daily balances.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

For the year ended December 31, 2005, the local governments had investments of \$30,319,325 with the PTIF. The entire balance had a maturity less than one year. The PTIF pool has not been rated.

*Interest Rate Risk* - Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The local government manages its exposure to declines in fair value by investment mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested.

As of December 31, 2005, the County had the following deposits and investments:

	<u>Fair Value</u>
Cash on deposit	\$ 18,538,017
State Treasurer's investment pool	<u>30,319,325</u>
	<u>\$ 48,857,342</u>

Components of cash and investments (including interest earning deposits) at December 31, 2005, are as follows:

Cash and cash equivalents	\$ 20,799,973
Restricted assets:	
Cash and cash equivalents	<u>26,622,310</u>
Total cash	<u>\$ 47,422,283</u>

**Receivables**

Receivables as of year end for the government's general and enterprise funds are as follows:

	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
Accounts	\$ 776,599	1,468	778,067
Grants	27,922	-	27,922
B & C road revenue	194,993	-	194,993
Property taxes	1,512,899	-	1,512,899
Intergovernmental	733,845	-	733,845
	<u>\$ 3,246,258</u>	<u>1,468</u>	<u>3,247,726</u>

The governmental accounts receivable includes \$31,145 in allowance for doubtful accounts for ambulance services.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. As of December 31, 2005, the County has \$319,234 in unearned revenue.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Capital assets**

Capital asset activity for the year ended December 31, 2005 was as follows:

<b>Primary Government</b>	<b>Beginning</b>			<b>Ending</b>
<b>Governmental activities:</b>	<b>Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance</b>
<b>Capital assets not being depreciated</b>				
Land	\$ 2,508,868	978,421	(46,487)	3,440,802
Construction in process	-	306,870	-	306,870
<b>Total capital assets not being depreciated</b>	<b>2,508,868</b>	<b>1,285,291</b>	<b>(46,487)</b>	<b>3,747,672</b>
<b>Capital assets being depreciated</b>				
Buildings	31,432,253	-	-	31,432,253
Improvements	160,640	6,995	-	167,635
Machinery and equipment	15,406,945	1,997,000	(462,222)	16,941,723
Infrastructure	56,605,667	7,336,173	-	63,941,840
<b>Total capital assets being depreciated</b>	<b>103,605,505</b>	<b>9,340,168</b>	<b>(462,222)</b>	<b>112,483,451</b>
<b>Less accumulated depreciation for</b>				
Buildings	11,563,515	997,977	-	12,561,492
Improvements	149,257	3,540	-	152,797
Machinery and equipment	8,410,725	1,598,973	(280,700)	9,728,998
Infrastructure	-	-	-	-
<b>Total accumulated depreciation</b>	<b>20,123,497</b>	<b>2,600,490</b>	<b>(280,700)</b>	<b>22,443,287</b>
<b>Total capital assets, being depreciated, net</b>	<b>83,482,008</b>	<b>6,739,678</b>	<b>(181,522)</b>	<b>90,040,164</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 85,990,876</b>	<b>8,024,969</b>	<b>(228,009)</b>	<b>93,787,836</b>

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental activities.**

General government	\$ 633,259
Public safety	1,211,356
Highways and streets	604,063
Parks and recreation	108,460
Public health	43,352
<b>Total depreciation expense - governmental activities</b>	<b>\$ 2,600,490</b>

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Component unit - Mountain Regional Water**

Activity for the District for the year ended December 31, 2005, was as follows:

Component Units	Beginning			Ending
	Balance	Increases	Decreases	Balance
Business-type activities				
Capital assets not being depreciated				
Land and water rights	\$ 14,523,941	516,656	(293,893)	14,746,703
Construction-in-progress	19,473,804	1,282,506	(20,756,310)	-
Total capital assets not being depreciated	33,997,745	1,799,162	(21,050,203)	14,746,703
Capital assets being depreciated				
Buildings	535,390	3,043,540	-	3,578,930
Improvements other than buildings	15,957,788	17,521,238	-	33,479,026
Furniture and fixtures	147,387	18,279	-	165,666
Machinery and equipment	551,432	220,398	-	771,830
Vehicles	122,461	119,356	-	241,817
Engineering library	108,675	-	-	108,675
Total capital assets being depreciated	17,423,133	20,922,811	-	38,345,944
Total accumulated depreciation	(4,039,744)	(1,053,157)	-	(5,092,901)
Total capital assets, being depreciated, net	13,383,389	19,869,654	-	33,253,043
Governmental activities capital assets, net	\$ 47,381,134	21,668,816	(21,050,203)	47,999,746

This section intentionally left blank

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Component unit - Snyderville Basin SSD**

Activity for the District for the year ended December 31, 2005, was as follows:

Component Units	Beginning			Ending
Business-type activities	Balance	Increases	Decreases	Balance
Capital assets not being depreciated				
Land	\$ 6,466,948	451,007	(10,000)	6,907,955
Total capital assets not being depreciated	6,466,948	451,007	(10,000)	6,907,955
Capital assets being depreciated				
Buildings	7,187,385	23,042	(23,758)	7,186,669
Parks	3,567,434	572,476	-	4,139,910
Trails	3,278,347	380,151	(54,608)	3,603,890
Vehicles and equipment	403,705	37,063	(6,250)	434,518
Total capital assets being depreciated	14,436,871	1,012,732	(84,616)	15,364,987
Total accumulated depreciation	(1,431,872)	(544,516)	(9,031)	(1,967,357)
Total capital assets, being depreciated, net	13,004,999	468,216	(75,585)	13,397,630
Governmental activities capital assets, net	\$ 19,471,947	919,223	(85,585)	20,305,585

This section intentionally left blank



**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Interfund receivables, payables, and transfers**

Individual interfund receivable and payable balances at December 31, 2005 are as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 5,100	-
Senior Citizens	-	5,000
Park Ridge Water	-	100
	<u>\$ 5,100</u>	<u>5,100</u>

Interfund receivables and payables are created when expenditures are paid by one fund on behalf of another. In addition, allocations of expenditures between funds are recorded as due to/from until paid.

**Interfund transfers**

<u>Transfers out</u>	<u>Transfers in</u>				<u>Total</u>
	<u>General</u>	<u>Transit District</u>	<u>Tax Stability</u>	<u>Nonmajor</u>	
General fund	\$ -	20,000	250,000	968,180	1,238,180
Municipal services	2,000,000	5,000	-	-	2,005,000
Transient room tax	125,000	-	-	-	125,000
Nonmajor	135,909	-	-	700,000	835,909
Total transfers out	<u>\$ 2,260,909</u>	<u>25,000</u>	<u>250,000</u>	<u>1,668,180</u>	<u>4,204,089</u>

**Leases**

**Component unit - Mountain Regional Water Special Service District**

The District leases equipment under a capital lease, which expired in 2005. The cost of the equipment, \$62,710 was capitalized in the District's property and equipment. During the years 2005 and 2004, the District made payments on this lease totaling \$9,789 and \$14,685, respectively.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Long-term debt**

**General Obligation Bonds**

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. The original amount of general obligation bonds issued in prior years was \$14,725,000, of which \$5,775,000 was a partial refunding of the original \$8,950,000. The original bonds mature in 2006 with the final payment of \$445,000. The refunding bond matures in 2015 with annual installments of \$25,000 to \$370,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the County. These bonds generally are issued as 20-year serial bonds with equal amount of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Series/Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Public Safety Bonds	5.0-5.9%	\$ 445,000
Public Safety		
Refunding Bonds	3.8-4.6%	5,525,000
		<u>\$ 5,970,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>For the year ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 490,000	560,112
2007	515,000	536,039
2008	535,000	489,992
2009	555,000	441,822
2010	580,000	172,160
2011-2015	3,295,000	2,264,780
2016-2020	-	43,070
Total	<u>\$ 5,970,000</u>	<u>4,507,975</u>

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Revenue Bonds**

The government also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The 1998 MBA Lease Revenue Bonds Series A with original amount of \$4,185,000 matures in 2013 with annual installments of \$205,000 to \$370,000. The 1999 MBA Lease Revenue Bonds with original amount of \$3,170,000 matures in 2015 with annual installments of \$85,000 to \$300,000. The 2000 MBA Lease Revenue Bonds with original amount of \$4,715,000 matures in 2020 with annual installments of \$140,000 to \$370,000. The 2003 Arts & Recreation Tax Revenue Bonds with original amount of \$2,200,000 matures in 2011 with annual installments of \$225,000 to \$310,000. The 2005 Excise Tax Revenue Bonds with original amount of \$6,651,000 matures in 2015 with annual installments of \$479,000 to \$779,000. No amounts outstanding at the end of the current fiscal year related to bonds issued in prior years. Revenue bonds outstanding at year end are as follows:

<u>Series/Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Excise Tax Revenue Bonds	3.14%	\$ 6,651,000
MBA of Summit Co.		
Lease Revenue Bonds 1998	3.9-4.7%	2,560,000
MBA of Summit Co.		
Lease Revenue Bonds 1999	4.4-5.25%	2,405,000
MBA of Summit Co.		
Lease Revenue Bonds 2000	5.1-5.6%	3,945,000
Arts and Recreation		
Tax Revenue Bonds 2003	2.0-3.45%	1,555,000
		<u>\$ 17,116,000</u>

Annual debt service requirements to maturity for revenue bonds are as follows:

<u>For the year ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 1,349,000	792,576
2007	1,505,000	641,284
2008	1,575,000	585,573
2009	1,635,000	525,856
2010	1,711,000	462,260
2011-2015	7,666,000	1,299,581
2016-2020	1,675,000	289,245
Total	<u>\$ 17,116,000</u>	<u>4,596,375</u>

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Special Assessment Bonds**

The government also issues bonds where the government uses the funding for specific improvements. The government collects from those citizens that benefit from the improvement to repay to associated debt. The 1991 Summit Park SID Special Assessment Bonds with original amount of \$3,668,000 matures in 2011 with annual installments of \$107,000. The 1993 Park Ridge Estates SID Special Assessment Bonds with original amount of \$337,161 matures in 2014 with annual installments of \$16,161 to \$17,000. The 1998 Timberline SID Special Assessment Bond with original amount of \$425,800 matures in 2018 with annual installments of \$20,800 to \$22,000. The 1987 Timberline SID Bond Series A with original amount of \$338,000 matures in 2018 with annual installments of \$17,000. The 1987 Timberline SID Bond Series B with original amount of \$106,000 matures in 2008 with annual installments of \$5,000 to \$7,000. The 1987 Atkinson Water SID Bond Series A with original amount of \$158,000 matures in 2008 with annual installments of \$7,000 to \$8,000. The 1987 Atkinson Water SID Bond Series B with original amount of \$144,000 matures in 2008 with annual installments of \$7,000 to \$8,000. N Special Assessment bonds outstanding at year end are as follows:

<u>Series/Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
1991 Summit Park SID	0.00%	\$ 1,128,000
1993 Park Ridge Estates SID	0.00%	136,000
1998 Timberline SID	0.00%	278,000
1987 Timberline SID	5.00%	34,000
1987 Timberline SID	5.00%	13,000
1987 Atkinson Water SID	5.00%	16,000
1987 Atkinson Water SID	5.00%	16,000
		<u>\$ 1,621,000</u>

Annual debt service requirements to maturity for revenue bonds are as follows:

<u>For the year ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 265,000	5,212
2007	266,000	2,660
2008	226,000	-
2009	226,000	-
2010	226,000	-
2011-2015	412,000	-
Total	<u>\$ 1,621,000</u>	<u>7,872</u>

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Component unit - Mountain Regional Water Special Service District**

**Notes Payable**

The District assumed two notes payables as part of the acquisition of water companies by the District. Both notes are payable to the State of Utah, Department of Natural Resources - Division of Water Resources. The first loan was originally issued for \$258,000, at zero percent interest, annual payments of \$27,300, with the last payment due in 2007. The loan is secured by property. The second loan was originally issued for \$324,000, at zero percent interest, annual payments of \$13,100, with the last payment due in 2016. The loan is secured by property.

<u>Series</u>	<u>Interest Rates</u>	<u>Amount</u>
State of Utah, Department Of Natural Resources-		
Division of Water	0.00%	\$ 54,732
Resources	0.00%	134,794
		<u>\$ 189,526</u>

Annual debt service requirements to maturity for notes payable are as follows:

<u>For the year ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 40,400	-
2007	40,532	-
2008	13,100	-
2009	13,100	-
2010	13,100	-
2011-2015	65,500	-
2016-2020	3,794	-
Total	<u>\$ 189,526</u>	<u>-</u>

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Revenue Bonds**

The District issues bonds that are secured by the revenues of the District. These bonds were issued to finance construction projects that would provide the income to pay the debt service. Water revenue bond 1991 was originally issued for \$295,000 with 5% interest, maturing in 2012 with annual installments. Water revenue bond 2002 was originally issued for \$357,000 with 1.51% interest, maturing in 2022 with annual installments. Water revenue bond 2002B was originally issued for \$433,000 with 0% interest, maturing in 2015 with annual installments. Water revenue bond 2003 was originally issued for \$33,000,000 with 2-5% interest, maturing in 2033 with annual installments. The District issued a special assessment bond in 2003 for \$18,600,000 with 6.25% - 7.0% interest, maturing in 2018 with annual installments. Special assessment bonds are secured by special assessments of special improvement districts.

<u>Series</u>	<u>Interest Rates</u>	<u>Amount</u>
Water Revenue 1991	5%	\$ 164,000
Water Revenue2002	1.51%	310,000
Water Revenue2002B	0%	359,000
Water Revenue2003	2-5%	32,900,000
Special Assessment 2003	6.25-7.0%	16,000,000
		<u>\$ 49,733,000</u>

Annual debt service requirements to maturity for notes payable are as follows:

<u>For the year ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 1,470,000	2,719,096
2007	1,481,000	2,631,004
2008	1,493,000	2,542,113
2009	1,494,000	2,452,786
2010	1,405,000	2,357,109
2011-2015	7,662,000	10,411,511
2016-2020	7,227,000	7,931,335
2021-2025	6,771,000	6,267,686
2026-2030	11,205,000	4,165,750
2031-2033	9,525,000	979,000
Total	<u>\$ 49,733,000</u>	<u>42,457,390</u>

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

**Component unit - Snyderville Basin Special Recreation District**

**General obligation bond**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. GO bonds issued February 1, 1996 for \$5,000,000, with 4.5-5.5% interest, maturity of 2015 and annual installments of \$250,000. GO bonds issued October 15, 1997 for \$2,500,000, with 4.7-6.5% interest, maturity of 2016 and annual installments of \$125,000. GO bonds issued January 15, 2002 for \$6,500,000, with 4.2-4.8% interest, maturity of 2021 and annual installments of \$65,000. GO bonds refunding issued May 5, 2004 for \$9,400,000, with 2-5% interest, maturity of 2023 and annual installments of \$165,000.

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
GO bond 1996	4.5-5.5%	\$ 250,000
GO bond 1997	4.7-6.5%	255,000
GO bond 2002	4.2-4.8%	5,425,000
GO refunding bond 2004	2.-5%	9,230,000
		<u>\$ 15,160,000</u>

General obligation bond requirements to maturity are as follows:

<u>For the year ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 605,000	363,835
2007	630,000	346,785
2008	650,000	338,085
2009	670,000	320,685
2010	690,000	302,835
2011-2015	3,830,000	1,190,280
2016-2020	4,700,000	685,925
2021-2025	3,385,000	275,090
Total	<u>\$ 15,160,000</u>	<u>3,823,520</u>

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. On December 31, 2005, \$4,410,000 of bonds outstanding are considered defeased.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 4 - Detailed Notes on all Funds - Continued**

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2005 was as follows:

<b><u>Primary Government</u></b>	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
GO bonds payable	\$ 11,735,000	-	(5,765,000)	5,970,000	\$ 490,000
Revenue bonds payable	11,690,000	6,651,000	(1,225,000)	17,116,000	1,349,000
Special Assessment bonds	1,886,000	-	(265,000)	1,621,000	265,000
Compensated absences	876,494	143,340	-	1,019,834	-
Total governmental activity					
Long-term liabilities	\$ 26,187,494	6,794,340	(7,255,000)	25,726,834	2,104,000

**Component units**

Mountain Regional Water Special Service District

Bonds payable:

Revenue bonds	\$ 51,102,000	-	(1,369,000)	49,733,000	1,470,000
Notes payable:					
State of Utah	229,926	-	(40,400)	189,526	40,400
Total bonds and notes payab	\$ 51,331,926	-	(1,409,400)	49,922,526	1,510,400

Snyderville Basin Special Recreation District

Bonds payable:

GO bonds	\$ 15,855,000	-	(695,000)	15,160,000	605,000
Less deferred amounts:					
For issuance costs	(107,515)	-	5,562	(101,953)	-
On refunding	(430,953)	-	22,291	(408,662)	-
Compensated absences	32,345	9,036	-	41,381	19,986
Total bonds and notes payab	\$ 15,348,877	9,036	(667,147)	14,690,766	624,986



**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

---

**Note 5 - Other Information**

**Retirement**

**Plan**

Summit County, Utah, contributes to the Contributory System: Local Governmental Division and Public Safety System, Other Division A Contributory, for employers which are cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (the Systems). The Systems provide refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes established and amended by the State Legislature.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (the Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, and Public Safety Retirement System for employers with (without) Social Security coverage. A copy of the report may be obtained by writing the Utah Retirement Systems, 540 East 200 S, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

**Funding policy**

Plan members in the Contributory System: Local Governmental Division are not required to contribute any of their annual covered salary and Summit County, Utah, was required to contribute 6.0% of their annual salary. In the Public Safety System: Other Division A Contributory, members were not required to contribute any of their salary and Summit County, Utah, was required to contribute 12.290% of their annual salary. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

Summit County, Utah contributions to the Contributory System: Local Governmental Division for the years ending December 31, 2005, 2004 and 2003 were \$8,270, \$7,404 and \$6,854 respectively, for the Noncontributory System: Local Governmental Division for the years ending December 31, 2005, 2004 and 2003 were \$801,115, \$720,746 and \$557,743, and for the Public Safety System: Other Division A Contributory the contributions for December 31, 2005, 2004, and 2003 were \$212,190, \$161,899 and \$ 79,516 respectively. The contributions were equal to the required contributions for each year.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

---

**Note 5 - Other information - Continued**

**Risk management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The County is a member of the Utah Local Governments Trust (ULGT), a public entity risk pool currently operating as a common risk management and insurance program for Utah State Governments. The County pays an annual premium to ULGT for its general insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government's counsel the resolution of these matters will not have a materially adverse effect on the financial condition of the government.

**Landfill closure and post closure care cost**

State and federal laws and regulations require the County to place a final cover on its Three Mile Canyon and Henefer landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$540,408 reported as landfill closure and postclosure care liability at December 31, 2005, represents the cumulative amount reported to date based on the use of 51.43 percent of the estimated capacity of the Three Mile Canyon landfill and the use of 38.43 percent of the estimated capacity of the Henefer landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$555,880 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2011. The County expects to close the Three Mile Canyon landfill in the year 2011 and the Henefer landfill in the year 2007. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

**Note 5 - Other information - Continued**

The County is required by state and federal laws and regulations to assure financial resources for the closure and postclosure care costs through the "local government financial test". By utilizing this test, the County is not required to establish a separate fund to accumulate the monies for closure and postclosure care requirements. Instead, the County may assure closure and postclosure care costs with up to 43 percent of the County's total annual revenue. The County's total revenues are sufficiently high to comply with the "local government financial test" without making annual contributions to a separate trust fund. Another requirement of the "local government financial test" is that the County has not operated at a deficit equal to 5 percent or more of the total revenue in each of the past two years. Summit County has not operated at a deficit equal to 5 percent or more of the total revenues in either of the past two years.

**Prior period adjustments**

During the audit the following errors were identified:

The prior auditors suggested adjustments to various governmental funds to accrue interest payable. Since the accrual is improper due to the nature of the fund, the following fund balances were adjusted:

Arts & Recreation Fund - Special Revenue	\$ 19,799
Bond Redemption Fund - Debt Service	49,227
Building Authority - Special Revenue	<u>19,849</u>
	<u>\$ 88,875</u>

During testing of the County's trust fund it was discovered that the purpose of many of the accounts were not trust or agency in nature but special revenue and capital projects. The County created three separate funds to account for the activity and reduced the trust fund accordingly. Additionally, activity for existing funds were reclassified to the appropriate fund. The result was the following beginning fund balances for fiscal year 2005:

Open Spaces - Capital Project	\$ 1,265,335
Other Services - Special Revenue	96,139
Public Health - Special Revenue	131,702
General Capital Agent - Capital Projects	345,989
General Fund	36,600
Fleet Leasing - Internal Service Fund	<u>20,935</u>
	<u>\$1,896,700</u>

The prior year auditors suggested that total landfill closure costs be accrued in the General Fund. Since such an accrual is improper due to the nature of the fund the fund balance of the General Fund was increased by \$482,268.

**Summit County, Utah**  
**Notes to Financial Statements-Continued**  
**For the Year Ended December 31, 2005**

---

**Note 5 - Other information - Continued**

The prior year auditors suggested adjustments to various governmental funds to accrued property taxes to match the form TC-750. Because the revenue should have been deferred, the following fund balances were adjusted by the amounts shown:

General Fund	\$ (144,926)
Municipal Services - Special Revenue	(519,983)
Assessing & Collecting - Special Revenue	(65,637)
Service Areas - Special Revenue	<u>(25,594)</u>
	<u>\$ (756,140)</u>

The ambulance activity is recorded in the General Fund, therefore, full accrual of revenues cannot be recognized. Only the amounts collected within the 60 day cycle should be recognized. The prior auditors did not address this issue. An adjustment of \$203,105 was made to decrease the fund balance for 2004 amounts.

Business assessments for the Transit District that were assessed in 2004 were collected in 2005. Since the fund is a enterprise fund the assessment should have been accrued in the prior year. Since the previous auditors reported the Transit District as a governmental fund, the accrual was not made. The result is an increase in net assets of \$111,869.

During testing of both receivable and payable accruals many items were identified as belonging to prior periods. Adjustments were made accordingly in the following funds:

General Fund	\$ 69,353
Municipal Services - Special Revenue	15,203
Arts & Recreation - Special Revenue	<u>61,023</u>
	<u>\$ 145,579</u>

The County discovered many adjustments that were reflected in the prior year audit report that were incorrect. Upon investigation it was determined that errors included multiple instances of duplicate journal entries and miscoding expenditures to balance sheet accounts. The net result of these errors for the funds involved was a decrease in fund balances of \$125,739.

Overall, governmental fund balances increased by a total of \$1,528,438 as a result of these adjustments, and business-type activities experienced an increase of \$111,869 in net assets.

## **SUPPLEMENTARY INFORMATION**

**Summit County, Utah**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2005**

---

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted to expenditures for specified purposes. Summit County has the following nonmajor special revenue funds:

*Assessing & Collecting* - This fund is used to account for property tax revenues and expenditures directly related to assessing and collecting property taxes within the County.

*Senior Citizens* - This fund is used to account for the activities of four separated centers dedicated to assisting the aging citizens of the County.

*Restaurant tax* - This fund is used to account for restaurant tax revenues and expenditures related to promotion of local tourism.

*Disaster fund* - This fund is used to account for cash set aside by the County to be used in the event of a disaster.

*Redevelopment agency* - This fund is used to account for redevelopment agency transactions conducted by County, including property acquisition, site improvements, preparation cost, installation of public improvements, and administration cost.

*Service areas* - This fund is used to account for mineral lease and property tax revenues, and expenditures related to maintaining roadways.

*Wildland fire* - This fund is used to account for property tax revenue and expenditures related to fire fighting in the region.

*Building Authority* - This fund is used to account for both payment of facility related debt and state rental contracts for the many courthouses in the County.

*Arts & Recreation* - This fund is used to account for arts & recreation tax revenue and related grants given throughout the community by the County to promote the arts.

*Other Services* - This fund is used to account for revenue and expenditures related to weed control in the County.

**Summit County, Utah**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2005**

---

Debt Service Funds

Debt service funds account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds. Summit County has the following nonmajor debt service funds:

*Bond Redemption* - This fund is used to account for principal and interest on the bonds used to finance construction in the County.

*Excise Bond Redemption* - This fund is used to account for principal and interest on the bond used to finance construction of roadways in the County.

*Guarantee Fund* - This fund is used to account for the various sinking funds required of the County by bonding agencies.

*Summit Park Water* - This fund is used to account for principal and interest on the bonds used to finance construction in the County and assessments collected to pay the debt.

*Park Ridge Water* - This fund is used to account for principal and interest on the bonds used to finance construction in the County and assessments collected to pay the debt.

*Atkinson Water* - This fund is used to account for principal and interest on the bonds used to finance construction in the County and assessments collected to pay the debt.

*Timberline Water* - This fund is used to account for principal and interest on the bonds used to finance construction in the County and assessments collected to pay the debt.

Capital Project Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. Summit County has the following nonmajor capital projects funds:

*Old Ranch Road* - This fund is used to account for revenue and expenditures related to the construction of various roadways within the County.

*Open Spaces* - This fund is used to account for developer fee revenue and the acquisition of open spaces within the County.

*Capital Projects Agent* - This fund is used to account for developer fee revenue and the acquisition and development of various capital projects within the County.

**Summit County, Utah**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**As of December 31, 2005**

	Special Revenue			
	Assessing & Collecting	Senior Citizens	Restaurant Tax	Disaster Fund
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 167,681	39,918	2,478,848	699,043
Receivables				
Accounts (net)	231,639	5,826	-	-
Total assets	<u>399,320</u>	<u>45,744</u>	<u>2,478,848</u>	<u>699,043</u>
<b><u>Liabilities and Fund Balances</u></b>				
Liabilities				
Accounts payable	46,782	3,442	30,000	-
Unearned revenue	-	-	-	-
Due to other funds	-	5,000	-	-
Total liabilities	<u>46,782</u>	<u>8,442</u>	<u>30,000</u>	<u>-</u>
Fund Balances				
Reserved for				
Debt	-	-	-	-
Restaurant tax	-	-	2,448,848	-
Arts & recreation tax	-	-	-	-
Capital Projects	-	-	-	-
Unreserved, reported in				
Special Revenue Fund	352,538	37,302	-	699,043
Debt Service Fund	-	-	-	-
Capital Project Fund	-	-	-	-
Total fund balances	<u>352,538</u>	<u>37,302</u>	<u>2,448,848</u>	<u>699,043</u>
Total liabilities and fund balances	<u>\$ 399,320</u>	<u>45,744</u>	<u>2,478,848</u>	<u>699,043</u>



**Summit County, Utah**  
**Combining Balance Sheet - Continued**  
**Nonmajor Governmental Funds**  
**As of December 31, 2005**

	Special Revenue			
	Redevelopment Agency	Service Areas	Wildland Fire District	Building Authority
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 521,146	3,351,554	591,899	1,409,193
Receivables				
Accounts (net)	-	158,187	177	-
Total assets	<u>521,146</u>	<u>3,509,741</u>	<u>592,076</u>	<u>1,409,193</u>
<b><u>Liabilities and Fund Balances</u></b>				
Liabilities				
Accounts payable	-	2,501	-	-
Unearned revenue	-	-	-	133,020
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>2,501</u>	<u>-</u>	<u>133,020</u>
Fund Balances				
Reserved for				
Debt	-	-	-	-
Restaurant tax	-	-	-	-
Arts & recreation tax	-	-	-	-
Capital Projects	-	-	-	-
Unreserved, reported in				
Special Revenue Fund	521,146	3,507,240	592,076	1,276,173
Debt Service Fund	-	-	-	-
Capital Project Fund	-	-	-	-
Total fund balances	<u>521,146</u>	<u>3,507,240</u>	<u>592,076</u>	<u>1,276,173</u>
Total liabilities and fund balances	<u>\$ 521,146</u>	<u>3,509,741</u>	<u>592,076</u>	<u>1,409,193</u>

**Summit County, Utah**  
**Combining Balance Sheet - Continued**  
**Nonmajor Governmental Funds**  
As of December 31, 2005

	<u>Special Revenue</u>		<u>Debt Service</u>	
	<u>Arts &amp; Recreation</u>	<u>Other Services</u>	<u>Bond Redemption</u>	<u>Excise Bond Redemption</u>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 1,076,386	106,892	525,749	11,609
Receivables				
Accounts (net)	-	-	12,619	-
Total assets	<u>1,076,386</u>	<u>106,892</u>	<u>538,368</u>	<u>11,609</u>
<b><u>Liabilities and Fund Balances</u></b>				
<b>Liabilities</b>				
Accounts payable	67,054	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>67,054</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Reserved for				
Debt	-	-	-	-
Restaurant tax	-	-	-	-
Arts & recreation tax	1,009,332	-	-	-
Capital Projects	-	-	-	-
Unreserved, reported in				
Special Revenue Fund	-	106,892	-	-
Debt Service Fund	-	-	538,368	11,609
Capital Project Fund	-	-	-	-
Total fund balances	<u>1,009,332</u>	<u>106,892</u>	<u>538,368</u>	<u>11,609</u>
Total liabilities and fund balances	<u>\$ 1,076,386</u>	<u>106,892</u>	<u>538,368</u>	<u>11,609</u>

**Summit County, Utah**  
**Combining Balance Sheet - Continued**  
**Nonmajor Governmental Funds**  
**As of December 31, 2005**

	Debt Service			
	Guarantee Fund	Summit Park Water	Park Ridge Water	Atkinson Water
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 2,134,674	186,908	1,996	(63,982)
Receivables				
Accounts (net)	-	-	-	-
<b>Total assets</b>	<b>2,134,674</b>	<b>186,908</b>	<b>1,996</b>	<b>(63,982)</b>
<b><u>Liabilities and Fund Balances</u></b>				
<b>Liabilities</b>				
Accounts payable	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	100	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>
<b>Fund Balances</b>				
Reserved for				
Debt	2,134,674	-	-	-
Restaurant tax	-	-	-	-
Arts & recreation tax	-	-	-	-
Capital Projects	-	-	-	-
Unreserved, reported in				
Special Revenue Fund	-	-	-	-
Debt Service Fund	-	186,908	1,896	(63,982)
Capital Project Fund	-	-	-	-
<b>Total fund balances</b>	<b>2,134,674</b>	<b>186,908</b>	<b>1,896</b>	<b>(63,982)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,134,674</b>	<b>186,908</b>	<b>1,996</b>	<b>(63,982)</b>

**Summit County, Utah**  
**Combining Balance Sheet - Continued**  
**Nonmajor Governmental Funds**  
**As of December 31, 2005**

	Debt Service		Capital Projects	
	Timberline Water	Old Ranch Road	Open Spaces	Capital Projects Agent
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 71,153	4,661	2,450,622	577,138
Receivables				
Accounts (net)	-	-	-	-
Total assets	<u>71,153</u>	<u>4,661</u>	<u>2,450,622</u>	<u>577,138</u>
<b><u>Liabilities and Fund Balances</u></b>				
Liabilities				
Accounts payable	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Reserved for				
Debt	-	-	-	-
Restaurant tax	-	-	-	-
Arts & recreation tax	-	-	-	-
Capital Projects	-	-	2,450,622	-
Unreserved, reported in				
Special Revenue Fund	-	-	-	-
Debt Service Fund	71,153	-	-	-
Capital Project Fund	-	4,661	-	577,138
Total fund balances	<u>71,153</u>	<u>4,661</u>	<u>2,450,622</u>	<u>577,138</u>
Total liabilities and fund balances	<u>\$ 71,153</u>	<u>4,661</u>	<u>2,450,622</u>	<u>577,138</u>

**Summit County, Utah**  
**Combining Balance Sheet - Continued**  
**Nonmajor Governmental Funds**  
**As of December 31, 2005**

	<u>Total</u>
<b><u>Assets</u></b>	
Cash and cash equivalents	\$ 16,343,088
Receivables	
Accounts (net)	<u>408,448</u>
Total assets	<u><u>16,751,536</u></u>
<b><u>Liabilities and Fund Balances</u></b>	
<b>Liabilities</b>	
Accounts payable	149,779
Unearned revenue	133,020
Due to other funds	<u>5,100</u>
Total liabilities	<u>287,899</u>
<b>Fund Balances</b>	
Reserved for	
Debt	2,134,674
Restaurant tax	2,448,848
Arts & recreation tax	1,009,332
Capital Projects	2,450,622
Unreserved, reported in	
Special Revenue Fund	7,092,410
Debt Service Fund	745,952
Capital Project Fund	<u>581,799</u>
Total fund balances	<u>16,463,637</u>
Total liabilities and fund balances	<u><u>\$ 16,751,536</u></u>

**Summit County, Utah**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2005**

	Special Revenue			
	Assessing & Collecting	Senior Citizens	Restaurant Tax	Disaster Fund
<b><u>Revenues</u></b>				
Taxes	\$ 1,874,733	-	1,322,785	-
Intergovernmental	98,734	26,105	-	-
Charges for services	334,919	-	-	-
Miscellaneous	365	7,731	172	-
Interest	864	283	78,129	23,181
Developer contributions	-	-	-	-
Donations	-	16,691	-	-
Total revenues	2,309,615	50,810	1,401,086	23,181
<b><u>Expenditures</u></b>				
General government	2,309,349	-	-	-
Public safety	-	-	-	-
Cultural and recreation	-	94,218	882,293	-
Conservation and economic development	-	-	-	-
Debt Service				
Principle	-	-	-	-
Interest	-	-	-	-
Bond costs	-	-	-	-
Capital outlay	-	-	-	-
Total governmental activities	2,309,349	94,218	882,293	-
Excess revenues over (under) expenditures	266	(43,408)	518,793	23,181
<b><u>Other Financing Sources</u></b>				
Transfer (to) from other funds	-	53,080	-	-
Total other financing sources	-	53,080	-	-
Excess of revenues and other sources over (under) expenditures and other uses	266	9,672	518,793	23,181
Fund balances - beginning of year, as adjusted	352,272	27,630	1,930,055	675,862
Fund balances - end of year	\$ 352,538	37,302	2,448,848	699,043

**Summit County, Utah**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Continued**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2005**

	Special Revenue			
	Redevelopment Agency	Service Areas	Wildland Fire District	Building Authority
<b><u>Revenues</u></b>				
Taxes	\$ -	1,159,986	2,810	-
Intergovernmental	-	786,382	-	258,971
Charges for services	-	-	-	-
Miscellaneous	-	-	-	146
Interest	17,282	92,165	19,519	86,404
Developer contributions	-	-	-	-
Donations	-	-	-	-
Total revenues	17,282	2,038,533	22,329	345,521
<b><u>Expenditures</u></b>				
General government	-	-	-	-
Public safety	-	767,926	-	-
Cultural and recreation	-	-	-	-
Conservation and economic development	-	-	-	-
Debt Service				
Principle	-	-	-	610,000
Interest	-	-	-	476,387
Bond costs	-	-	-	12,403
Capital outlay	-	-	-	-
Total governmental activities	-	767,926	-	1,098,790
Excess revenues over (under) expenditures	17,282	1,270,607	22,329	(753,269)
<b><u>Other Financing Sources</u></b>				
Transfer (to) from other funds	-	(700,000)	-	700,000
Total other financing sources	-	(700,000)	-	700,000
Excess of revenues and other sources over (under) expenditures and other uses	17,282	570,607	22,329	(53,269)
Fund balances - beginning of year, as adjusted	503,864	2,936,633	569,747	1,329,442
Fund balances - end of year	\$ 521,146	3,507,240	592,076	1,276,173

**Summit County, Utah**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Continued**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2005**

	Special Revenue		Debt Service	
	Arts & Recreation	Other Services	Bond Redemption	Excise Bond Redemption
<b><u>Revenues</u></b>				
Taxes	\$ 1,081,854	-	768,891	-
Intergovernmental	-	41,178	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	43,531	3,503	135,991	11,609
Developer contributions	-	-	-	-
Donations	-	-	-	-
Total revenues	1,125,385	44,681	904,882	11,609
<b><u>Expenditures</u></b>				
General government	-	-	-	-
Public safety	-	-	-	-
Cultural and recreation	832,974	-	-	-
Conservation and economic development	-	33,928	-	-
Debt Service				
Principle	215,000	-	5,765,000	-
Interest	52,693	-	458,462	-
Bond costs	-	-	3,700	-
Capital outlay	-	-	-	-
Total governmental activities	1,100,667	33,928	6,227,162	-
Excess revenues over (under) expenditures	24,718	10,753	(5,322,280)	11,609
<b><u>Other Financing Sources</u></b>				
Transfer (to) from other funds	-	-	-	-
Total other financing sources	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	24,718	10,753	(5,322,280)	11,609
Fund balances - beginning of year, as adjusted	984,614	96,139	5,860,648	-
Fund balances - end of year	\$ 1,009,332	106,892	538,368	11,609



**Summit County, Utah**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Continued**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2005**

	Debt Service			
	Guarantee	Summit	Park	
	Fund	Park	Ridge	Atkinson
		Water	Water	Water
<b><u>Revenues</u></b>				
Taxes	\$ -	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	192,285	17,148	3,630
Miscellaneous	-	-	-	-
Interest	-	5,703	349	-
Developer contributions	-	-	-	-
Donations	-	-	-	-
Total revenues	-	197,988	17,497	3,630
<b><u>Expenditures</u></b>				
General government	-	-	-	-
Public safety	-	-	-	-
Cultural and recreation	-	-	-	-
Conservation and economic development	-	-	-	-
Debt Service				
Principle	-	188,000	17,000	16,000
Interest	-	-	-	3,432
Bond costs	-	-	-	500
Capital outlay	-	-	-	-
Total governmental activities	-	188,000	17,000	19,932
Excess revenues over (under) expenditures	-	9,988	497	(16,302)
<b><u>Other Financing Sources</u></b>				
Transfer (to) from other funds	665,100	-	-	-
Total other financing sources	665,100	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	665,100	9,988	497	(16,302)
Fund balances - beginning of year, as adjusted	1,469,574	176,920	1,399	(47,680)
Fund balances - end of year	\$ 2,134,674	186,908	1,896	(63,982)

**Summit County, Utah**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Continued**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2005**

	Debt Service	Capital Projects		
	Timberline Water	Old Ranch Road	Open Spaces	Capital Project Agent
<b><u>Revenues</u></b>				
Taxes	\$ -	-	-	-
Intergovernmental	-	-	-	-
Charges for services	47,708	-	-	-
Miscellaneous	-	-	-	-
Interest	2,407	4,661	62,892	17,268
Developer contributions	-	-	1,222,730	213,881
Donations	-	-	-	-
Total revenues	50,115	4,661	1,285,622	231,149
<b><u>Expenditures</u></b>				
General government	-	-	-	-
Public safety	-	-	-	-
Cultural and recreation	-	-	-	-
Conservation and economic development	-	-	-	-
Debt Service				
Principle	44,000	-	-	-
Interest	4,318	-	-	-
Bond costs	500	-	-	-
Capital outlay	-	-	350,333	-
Total governmental activities	48,818	-	350,333	-
Excess revenues over (under) expenditures	1,297	4,661	935,289	231,149
<b><u>Other Financing Sources</u></b>				
Transfer (to) from other funds	-	(135,909)	250,000	-
Total other financing sources	-	(135,909)	250,000	-
Excess of revenues and other sources over (under) expenditures and other uses	1,297	(131,248)	1,185,289	231,149
Fund balances - beginning of year, as adjusted	69,856	135,909	1,265,333	345,989
Fund balances - end of year	\$ 71,153	4,661	2,450,622	577,138

**Summit County, Utah**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Continued**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2005**

	<u>Total</u>
<b><u>Revenues</u></b>	
Taxes	\$ 6,211,059
Intergovernmental	1,211,370
Charges for services	595,690
Miscellaneous	8,414
Interest	605,741
Developer contributions	1,436,611
Donations	16,691
Total revenues	<u>10,085,576</u>
<b><u>Expenditures</u></b>	
General government	2,309,349
Public safety	767,926
Cultural and recreation	1,809,485
Conservation and economic development	33,928
Debt Service	
Principle	6,855,000
Interest	995,292
Bond costs	17,103
Capital outlay	350,333
Total governmental activities	<u>13,138,416</u>
Excess revenues over (under) expenditures	<u>(3,052,840)</u>
<b><u>Other Financing Sources</u></b>	
Transfer (to) from other funds	832,271
Total other financing sources	<u>832,271</u>
Excess of revenues and other sources over (under) expenditures and other uses	(2,220,569)
Fund balances - beginning of year, as adjusted	<u>18,684,206</u>
Fund balances - end of year	<u><u>\$ 16,463,637</u></u>

This page intentionally left blank.

**Summit County, Utah**

**Schedule of Receipts and Disbursements - Treasurer's Collection Account**  
**For the Year Ended December 31, 2005**

	Treasurer's Balance December 31, 2004	Collection Receipts	Amounts Apportioned	Distributions	Treasurer's Balance December 31, 2005
<b>Tax Collection Accounts</b>					
Current Year Taxes & Assessments		\$ 78,066,441	78,066,441		
Fee in Lieu		3,816,247	3,816,247		
Redemptions of prior year tax		4,351,493	4,351,493		
Penalties, interest, and cost		496,864	496,864		
Other collections and refunds		1,309,793	1,309,793		
Total Collections		88,040,839	88,040,839		
County General Fund	813,636		10,098,892	10,006,703	905,825
County Municipal Fund	197,002		2,477,459	2,472,062	202,399
<b>School Districts</b>					
South Summit	580,198		7,352,698	7,380,724	552,172
North Summit	315,576		3,893,133	3,911,303	297,406
Park City	2,676,063		36,747,938	36,501,525	2,922,476
<b>Assessing and Collecting</b>					
A/C State	108,496		1,291,045	1,284,714	114,827
A/C County	92,739		1,507,370	1,502,390	97,719
<b>Cities and Towns</b>					
Coalville City	21,923		241,469	237,132	26,260
Francis City	11,748		111,076	111,410	11,414
Henefer Town	3,955		38,207	36,505	5,657
Kamas City	17,812		162,523	151,312	29,023
Oakley City	11,809		135,550	136,976	10,383
Park City Municipal Corp	544,893		8,699,749	8,618,722	625,920
<b>Other Districts</b>					
South Summit Cemetery	(34,994)		176,232	145,758	(4,520)
Wanship Cemetery	953		13,718	13,690	981
Hoytsville Cemetery	417		3,643	3,660	400
South Summit Fire	20,545		224,187	222,657	22,075
North Summit Fire	15,370		177,550	178,464	14,456
Park City Fire District	512,105		7,656,780	7,567,317	601,568
SC Wildland Fire District	196		3,323	3,361	158
Weber Basin Water	107,492		1,473,152	1,461,637	119,007
Central Utah Water District	3,459		40,387	39,575	4,271
Service Area # 3	14,520		149,720	155,290	8,950
Service Area # 5	548		16,770	15,995	1,323
Service Area # 6	63,721		778,561	776,295	65,987
Service Area # 8	25,303		550,744	552,825	23,222
Summit County Mosquito	8,481		376,366	358,349	26,498
Snyderville Basin Recreation	281,275		3,642,597	3,606,246	317,626
Snyderville Basin Water Reclamation	-		63,775	63,642	133
Total Due to Taxing Units	6,415,241		88,040,839	87,516,239	7,003,616

**Summit County, Utah**  
**Schedule of Receipts and Disbursements - Treasurer's Collection Account**  
**For the Year Ended December 31, 2005**

	Treasurer's Balance December 31, 2004	Collection Receipts	Amounts Apportioned	Distributions	Treasurer's Balance December 31, 2005
Other					
Timberline Water SSD	-		11,199	11,199	-
Atkinson Water SID	-		1,213	1,213	-
Summit Park Water SSD	-		38,647	38,647	-
Weber Basin Water SSD	-		177,539	177,539	-
Summit Park Water SSD Bond	-		-	-	-
Kamas City SSD	-		500	500	-
Mountain Regional Water SSD	-		212,997	212,997	-
Echo Ranch SSD	-		7,500	7,500	-
Park Ridge Water SID	-		3,403	3,403	-
Timberline Water 94 SID	-		4,830	4,830	-
Sunderville Basin Sewer SSD	-		-	-	-
Summit County Redevelopment Agen	-		-	-	-
Timberline Water SID	-		-	-	-
Main Street Redevelopment	-		1,300,000	1,300,000	-
Park Ave Redevelopment	-		2,227,898	2,227,898	-
Other Redevelopment Agencies	-		-	-	-
Total	6,415,241		92,026,565	91,501,965	7,003,616
Overpayments	46,371		54,681	46,371	54,681
Carryover	(80,114)			45,284	(34,830)
Grand Total	<u>\$ 6,381,498</u>		<u>92,081,246</u>	<u>91,593,620</u>	<u>7,023,467</u>

# Summit County, Utah

## Statement of Taxes Charged, Collected, and Distributed

### For the 2005 Property Tax Year

Taxing Units	Tax Valuation in Dollars	Tax Percent	Total Taxes Levied	Treasurer's Relief		Total	Net Taxes Collected and Apportioned		Other Collections		
				Unpaid Taxes	Abatements		Amount	Percent	Fee in Lieu	Misc. Collections	Delinquencies Tax
<b>County Funds</b>											
General	7,945,138,323	0.00117	\$ 9,303,690	414,847	15,960	60,944	491,751	94.71%	424,888	152,014	497,313
Municipal	3,990,262,432	0.00058	\$ 2,303,908	112,637	4,181	12,229	129,047	94.40%	123,741	61,265	136,683
Assessing & collecting	8,284,475,603	0.00015	1,227,086	52,476	2,019	7,657	62,151	94.94%	53,746	19,108	62,785
<b>Total County</b>			<b>12,834,684</b>	<b>\$79,960</b>	<b>22,160</b>	<b>80,830</b>	<b>682,949</b>		<b>602,376</b>	<b>232,387</b>	<b>696,781</b>
<b>School Districts</b>											
So Summit Co School Dist	1,058,229,582	0.00631	6,668,946	321,817	22,082	4,284	348,183	94.78%	423,077	85,282	385,224
No Summit Co School Dist	521,252,182	0.00706	3,678,655	200,061	20,435	11,702	232,197	93.69%	301,537	41,913	124,403
Park City School Dist	6,365,821,490	0.00549	35,022,564	1,511,888	39,791	281,931	1,833,610	94.76%	1,391,831	611,845	1,918,496
<b>Total School District</b>			<b>45,370,165</b>	<b>2,033,765</b>	<b>82,307</b>	<b>297,918</b>	<b>2,413,990</b>		<b>2,116,445</b>	<b>739,039</b>	<b>2,428,122</b>
<b>State Assessing &amp; Collecting</b>	8,284,475,603	0.00017	1,434,362	61,340	2,360	8,948	72,648	94.94%	62,825	22,337	74,337
<b>Cities and Towns</b>											
Coalville City	56,336,801	0.00367	206,026	7,666	4,408	(688)	11,386	94.47%	40,705	2,222	4,694
Francis City	42,558,525	0.00222	94,667	3,406	1,767	132	5,305	94.40%	13,548	3,965	4,482
Henefer Town	22,253,797	0.00123	27,410	575	440	(43)	972	96.45%	10,357	763	462
Kansas City	72,270,945	0.00171	123,680	6,110	1,909	306	8,325	93.27%	30,149	1,446	14,849
Oakley City	105,252,874	0.00116	122,259	8,397	353	60	8,810	92.79%	11,678	4,408	7,700
Park City Municipal Corp	3,647,486,753	0.00235	8,578,808	338,548	6,115	69,398	414,060	95.17%	223,221	27,265	377,604
<b>Total Towns</b>			<b>9,152,850</b>	<b>364,700</b>	<b>14,993</b>	<b>69,164</b>	<b>448,858</b>		<b>329,658</b>	<b>40,069</b>	<b>409,792</b>
<b>Other Districts</b>											
South Summit Cemetery	760,123,482	0.00022	163,464	6,128	760	(1,144)	5,744	96.49%	14,529	1,395	3,614
Wanship Cemetery	149,430,491	0.00009	13,897	1,203	57	(5)	1,255	90.97%	596	161	453
Hoytsville Cemetery	43,535,861	0.00007	3,046	130	23	4	156	94.87%	621	64	72
South Summit Fire	563,928,944	0.00035	195,143	9,380	1,211	226	10,817	94.46%	23,165	4,295	13,228
North Summit Fire	430,777,081	0.00038	165,386	8,378	1,080	550	10,009	93.95%	16,410	2,161	4,502
Park City Fire District	6,467,819,009	0.00113	7,328,071	324,398	8,199	54,606	387,203	94.72%	286,918	123,412	382,602
SC Wildland Fire District	482,626,386	0.00001	3,376	133	1	4	138	95.93%	0	10	92
Weber Basin Water	7,207,637,175	0.00019	1,391,842	63,164	2,429	7,945	73,538	94.72%	67,967	23,797	75,043
Central Utah Water District	88,237,149	0.00040	35,182	1,295	422	(77)	1,639	95.34%	4,327	689	1,912
Service Area # 3	111,090,098	0.00122	135,052	9,166	716	130	10,013	92.59%	11,693	762	6,671
Service Area # 5	11,197,139	0.00145	16,188	1,949	-	27	1,976	87.79%	610	49	2,038
Service Area # 6	1,096,591,523	0.00064	696,659	26,759	1,935	3,161	31,855	95.43%	71,721	3,431	28,801
Service Area # 8	226,736,031	0.00244	553,207	1,673	-	2,686	4,359	99.21%	9	1,269	738
Summit County Mosquito	7,564,878,446	0.00005	404,181	17,169	682	28,163	46,013	88.62%	18,157	1,882	2,486
Snyderville Basin Recreation	2,820,441,600	0.00119	3,351,662	169,226	5,511	21,989	196,727	94.13%	188,219	112,584	220,208
<b>Total Other Districts</b>			<b>14,456,355</b>	<b>640,151</b>	<b>23,026</b>	<b>118,264</b>	<b>781,441</b>		<b>704,943</b>	<b>275,961</b>	<b>742,460</b>
<b>GRAND TOTAL</b>			<b>\$ 83,248,417</b>	<b>3,679,916</b>	<b>144,845</b>	<b>575,124</b>	<b>4,399,886</b>		<b>3,816,247</b>	<b>1,309,793</b>	<b>4,351,493</b>
											<b>496,864</b>

## **OTHER REPORTS**



This page intentionally left blank.

# **Ulrich & Associates, PC**

*Certified Public Accountants*

## **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Board of County Commissioners  
Summit County, Utah

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Summit County, Utah as of and for the year ended December 31, 2005, which collectively comprise Summit County, Utah's basic financial statements and have issued our report thereon dated August 28, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Summit County, Utah's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Summit County, Utah's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Members of Utah Association of CPAs / American Institute of CPAs

**Charles E. Ulrich, CPA | Michael E. Ulrich, CPA**  
Cathie Hurst, CPA | Heather Christopherson, CPA  
website | [www.ulrichcpa.com](http://www.ulrichcpa.com)

4991 South Harrison | Ogden, Utah 84403  
Tel | 801.627.2100 | Fax | 801.475.6548  
email | [ulrich@ulrichcpa.com](mailto:ulrich@ulrichcpa.com)

We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of Summit County in a separate letter dated August 28, 2006.

This report is intended solely for the information and use of the County Commissioners, management, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

*Ulrich & Associates, P.C.*

August 28, 2006

# **Ulrich & Associates, PC**

*Certified Public Accountants*

## **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Board of County Commissioners  
Summit County, Utah

### Compliance

We have audited the compliance of Summit County, Utah with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2006. Summit County, Utah's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Summit County, Utah's management. Our responsibility is to express an opinion on Summit County, Utah's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Summit County, Utah's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Summit County, Utah's compliance with those requirements.

In our opinion, Summit County, Utah complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2005.

Members of Utah Association of CPAs | American Institute of CPAs

**Charles E. Ulrich, CPA | Michael E. Ulrich, CPA**  
Cathie Hurst, CPA | Heather Christopherson, CPA  
website/ [www.ulrichcpa.com](http://www.ulrichcpa.com)

4991 South Harrison | Ogden, Utah 84403  
Tel/ 801.627.2100 | Fax/ 801.475.6548  
email/ [ulrich@ulrichcpa.com](mailto:ulrich@ulrichcpa.com)

### Internal Control Over Compliance

The management of Summit County, Utah is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Summit County, Utah's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, County Commission of Summit County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Whit & Associates, P.C.*

August 28, 2006

This page intentionally left blank.

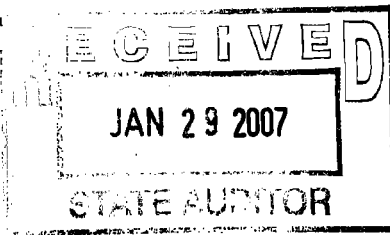
**Summit County, Utah**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2005**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Grant Expend- itures</u>
U.S. Department of Health and Human Services			
Passed Through Utah Dept. of Public Safety			
- Injury Prevention			
MCH Title V Grant	93.994	2B04MC00321	\$ 16,985
Prenatal Home Visitation Program/ Safety Program	93.994	2B04MC00321	6,394
Oral Health Program	93.110	060140	471
Passed Through Utah Department of Environmental Quality			
DEQ/LHD Environmental Services	66.605	50466	6,844
Passed Through Utah Department of Health			
Division of Community & Family Health Services			
PHSBG/Cardiovascular	93.991	1998BIUTPRVS03-04	9,584
Injury Prevention	93.994	2B04MC00321-04-05	21,190
Immunization Program	93.268	H23/CCH822520-01	43,084
Immunization Program - Vaccines	93.268	H23/CCH822520-01	65,404
HIV/AIDS	93.940	U62-CCU802035	1,000
TB Elimination and labs	93.116	U52/CCU804865	3,312
STD Prevention	93.977	H25/CCH804358	600
Child Health Evaluation/Care Outreach (CHEC)	93.778	5-0105UT5028	2,407
National Cancer Prevention and Control	93.283	U55/CCU821940-01-02	8,619
Early Childhood Development Program/Target Case	93.778	H0111507-01/02	12,457
Summit County Safe Community	20.600	CP05-02-17-SUM5	8,771
Comprehensive Tobacco/Core Capacity Bldg For Tobacco P&C Programs	93.283	U1A/CCU809234-06/060	1,876
Passed Through Utah Department of Health Centers For Disease Control and Prevention			
PH Preparedness & Response/Bioterrorism	93.283	U90/CCU8169650302	199,936
Passed Through Mountainland Association of Governments			
Title III - Nutrition Services	93.045	30202	26,106
Total Department of Health and Human Services			<u>435,040</u>
U.S. Department of Education			
Passed Through Utah Department of Health - Division of Community and Family Health Services			
Early Intervention	84.181A	H181A000111	105,619
Total Department of Education			<u>105,619</u>
U.S. Department of Agriculture			
Passed Through Utah Department of Health			
Special supplemental nutrition program for women, infants and children - Administration	10.557	3UT7700709	123,409

**Summit County, Utah**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2005**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Grant Number</b>	<b>Grant Expend- itures</b>
Special supplemental nutrition program for women, infants and children - Food Vouchers	10.557	3UT7700709	350,074
Passed Through the State of Utah			
Federal Forest Reserve Payments	10.666	16USC500	195,928
Forest Reserve/Title III SRSCSD Act	10.666	16USC500	34,576
Total Department of Agriculture			<u>703,987</u>
<b>U.S. Department of Justice</b>			
Passed Through Utah Office of Community Oriented Policing Services			
COPS in Schools	16.710	2002SHWX0100	25,612
Bulletproof vest partnership program	16.607	2002BUBX02011839	5,694
Bulletproof vest partnership program	16.607	2003BUBX02011839	2,214
Bulletproof vest partnership program	16.607	2005BUBX05028807	290
Total Department of Justice			<u>33,810</u>
<b>U.S. Department of Homeland Security</b>			
Passed Through Utah Division of Emergency Services and Homeland Security			
LEPC Hazardous Materials Planning	20.703	DES-2005-LEPC	2,929
Homeland Security Grant Part I	97.004	DES-2003-ODP1-02	13,543
LETP/Law Enforcement Terrorism Prevention	97.004	DES-2004-LETP-002	8,946
Homeland Security Grant 2004	97.004	DES-2004-SHSP-002	22,016
Homeland Security Grant 2005	97.067	DES-2005-SHSP-002	56,540
Emergency Management Performance	97.067	SLA-2005-DES-0022	9,000
LETP/Law Enforcement Terrorism Prevention	97.067	DES-2005-LETP-002	75,165
Total Department of Homeland Security			<u>188,139</u>
<b>U.S. Department of Museum and Library Services</b>			
Passed Through Utah Department of Community & Economic Development			
LSTA/Mini Grant	45.310	LS-00-05-0045-05/05231	35,433
Total Department of Museum and Library Services			<u>35,433</u>
<b>U.S. Department of Housing and Urban Development</b>			
Passed Through Utah Department of Community & Economic Development			
CDBG/Woodland Mutual Water	14.228	B-02-DC-49-0001	77,324
Total Department of Housing and Urban Development			<u>77,324</u>
			<u>\$ 1,579,352</u>





**FILE COPY  
DO NOT REMOVE**

**Summit County, Utah**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2006**

---

**Note A - Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of South Summit School District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements on OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**SCANNED**

Date 1-29-07

*Added to FR 2006*

**Summit County, Utah**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended December 31, 2005**

---

**Findings - Financial Statement Audit - Prior Year**

**Finding 04-01: Compliance with Reporting Deadline**

*Condition:* OMB Circular A-133 requires that The Single Audit reporting package be submitted within nine months of the end of the reporting period.

*Recommendation:* We recommend that the policies and procedures be reviewed to ensure timely reporting.

*Management response:* The County Auditor will take the necessary steps to ensure the County meets its reporting deadlines for the period ended December 31, 2005.

*Corrective action plan:* The County obtained new independent auditors that could better meet the required deadline.

*Responsible party:* The County Auditor

---

**Summit County, Utah**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2005**

---

**Summary of Audit Results**

1. The auditors' report expresses an unqualified opinion on the general purpose financial statements of Summit County, Utah.
2. No reportable conditions relating to the audit of the general purpose financial statements were reported.
3. No instances of noncompliance material to the general purpose financial statements of Summit County, Utah were disclosed during the audit.
4. No reportable condition relating to the audit of the major federal award program is reported in this schedule.
5. The auditors' report on compliance for the major federal award programs expresses an unqualified opinion on the major federal programs.
6. No audit findings relative to the major federal award program for Summit County, Utah are reported in this schedule.
7. The program tested as major was:

Special Supplemental Nutrition Program  
For Women, Infants, and Children (WIC)

CFDA#      10.557

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Summit County did qualified as a low-risk auditee.

**Findings-Financial Statements**

None

**Findings and Questioned Costs - Major Federal Award Programs Audit**

None

---

This page intentionally left blank.

# **Ulrich & Associates, PC**

*Certified Public Accountants*

## **STATE LEGAL COMPLIANCE REPORT**

The Honorable Board of County Commissioners  
Summit County, Utah

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Summit County, Utah, for the year ended December 31, 2005, and have issued our report thereon dated August 28, 2006. As part of our audit, we have audited Summit County's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; special tests and provisions applicable to each of its major State assistance programs as required by the State of Utah Legal Compliance Audit Guide for the year ended December 31, 2005. The County received the following major assistance programs from the State of Utah:

- B & C Road Funds (Department of Transportation)
- Liquor Law Enforcement (State Tax Commission)
- General Health Services (Department of Health)
- Mental Health (Department of Health)

The County also received the following nonmajor grants which are not required to be audited for specific compliance requirements: (However, these programs were subject to test work as part of the audit of Summit County's financial statements).

- Public Library Development Grants (Department of Community and Economic Development)
- Environmental Health (Department of Health)
- Mineral Lease Distribution (Department Of Transportation)
- LHD Environmental Services (Department of Environmental Quality)
- EMS Grants (Department of Health)
- Utah Indoor Clear Air Act
- TB Elimination
- Early Intervention (Department of Health)
- Chalk Creek Restoration - Leray McAllister Critical Land Conservation

*Members of Utah Association of CPAs | American Institute of CPAs*

**Charles E. Ulrich, CPA | Michael E. Ulrich, CPA**  
Cathie Hurst, CPA | Heather Christopherson, CPA  
website/ [www.ulrichcpa.com](http://www.ulrichcpa.com)

4991 South Harrison - Ogden, Utah 84403  
Tel| 801.627.2100 | Fax| 801.475.6548  
email| [ulrich@ulrichcpa.com](mailto:ulrich@ulrichcpa.com)

Our audit also included test work on the County's compliance with the following general compliance requirements identified in the State of Utah Legal Compliance Audit Guide:

- Public Debt
- Cash Management
- Purchasing Requirements
- Budgetary Compliance
- Truth in Taxation & Property Tax Limitation
- Liquor Law Enforcement
- Justice Court Compliance
- Special Districts
- B & C Road Funds
- Other Compliance Requirements
- Uniform Building Code Standards
- Statement of Taxes Charged, Collected and Disbursed
- Collected & Disbursed Assessing and Collecting of Property Taxes
- Transient Room Tax
- Asset Forfeitures

The management of Summit County, is responsible for the County's compliance with all compliance requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying schedule of findings. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the Summit County, complied, in all material respects, with the general compliance requirements identified above and the requirements governing types of services allowed or unallowed, eligibility, matching, level of effort or earmarking, reporting, and special tests and provisions that are applicable to each of its major State assistance programs for the year ended December 31, 2005.

*Wick & Associates, P.C.*

August 28, 2005

**Summit County, Utah**  
**State Legal Compliance - Schedule of Findings**  
**For the Year Ended December 31, 2005**

---

**1 BUDGETARY COMPLIANCE**

Finding - Expenditures in excess of approved budget amounts was noted in the Public Health Department of the General Fund, Arts & Recreation - Special Revenue, Other Services - Special Revenue, and Open Spaces - Capital Projects. Transfers were in excess of approved budget amounts in the Municiple Services Fund.

Recommendation - Program directors and department managers should carefully review expenditures against the budget so that amendments can be made when appropriate.

Management Response - Management will work with program directors and the auditors to develop the proper understanding of the budget process in order to address this problem. We anticipate this will involve training and review of the budget process.

**2 CASH MANAGEMENT**

Finding - There was one instance discovered during testing of funds where funds were not deposited within 3 business days.

Recommendation - Program directors should reiterate the importance of depositing funds in a timely manner to the responsible county employees.

Management Response - Management will work with program directors to continue their efforts to more closely monitor the depositing of funds.

Finding - The public treasurer fidelity bond did not cover the required portion of budgeted gross revenues. Three percent of budgeted revenues exceeds the \$1,000,000 secured by the County.

Recommendation - Both the County Auditor and County Treasurer should review budgeted revenues, and they should acquire bonding accordingly.

Management Response - Management will review the budget and adjust the bond accordingly.

**Summit County, Utah**  
**State Legal Compliance - Schedule of Findings**  
**For the Year Ended December 31, 2005**

---

**3 TRUTH IN TAXATION AND PROPERTY TAX LIMITATIONS**

Finding - The County Treasurer did not disburse property taxes received by the tenth day of the next month.

Recommendation - The Treasurer should remit the required amount by the tenth of the next month.

Management Response - The County Treasurer stated that it is impractical to disburse amounts collected by the tenth day of the next month. The Treasurer stated that the disbursement amount could not be determined until a later date due to the various adjustments necessary to determine a proper amount. An estimate could be made; however, adjustment would have to be made that would cause more frustration for the County and the various other entities.

**4 JUSTICE COURTS COMPLIANCE**

Finding - The County is not reconciling the court trust account.

Recommendation - The County should reconcile the court trust account on a regular basis.

Management Response - The County will review its procedures to ensure the reconciliation is being done.

**5 OTHER GENERAL COMPLIANCE**

Finding - The County's Atkinson Water Debt Service Fund has a fund balance in a deficit position by \$63,982

Recommendation - The County should review the fund and take proper action to ensure the fund balance is not in the deficit position.

Management Response - The County will review the fund and take appropriate action.

Finding - The County is not within the specified state limits for general fund balance based on general fund revenues. The County is over by more than \$538,000.

Recommendation - The County should review the fund balance and take necessary actions to bring the fund balance within state limits.

Management Response - The County will review the fund and take appropriate action.